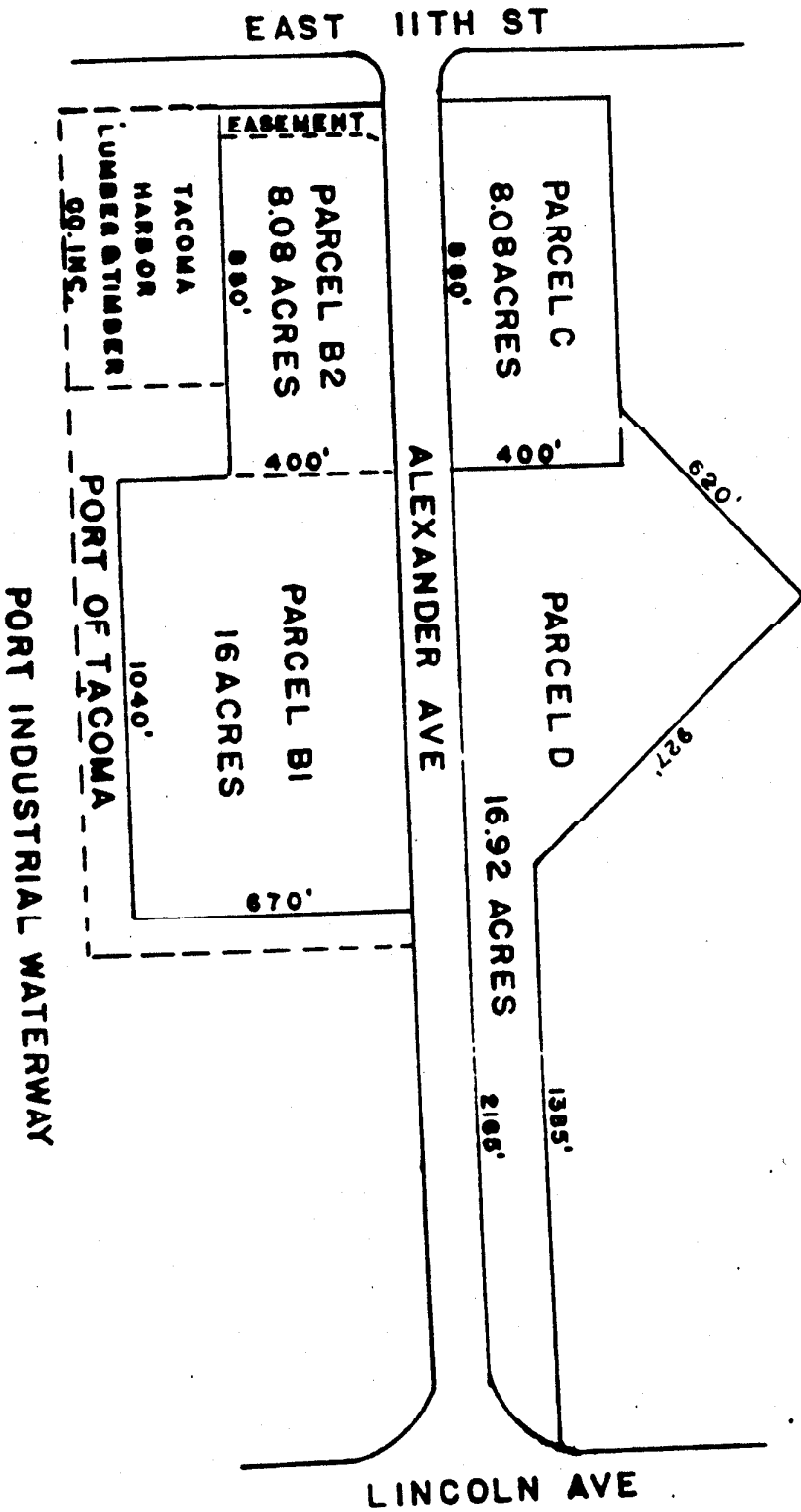
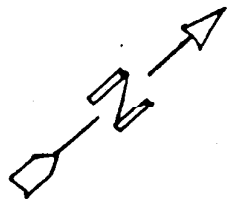


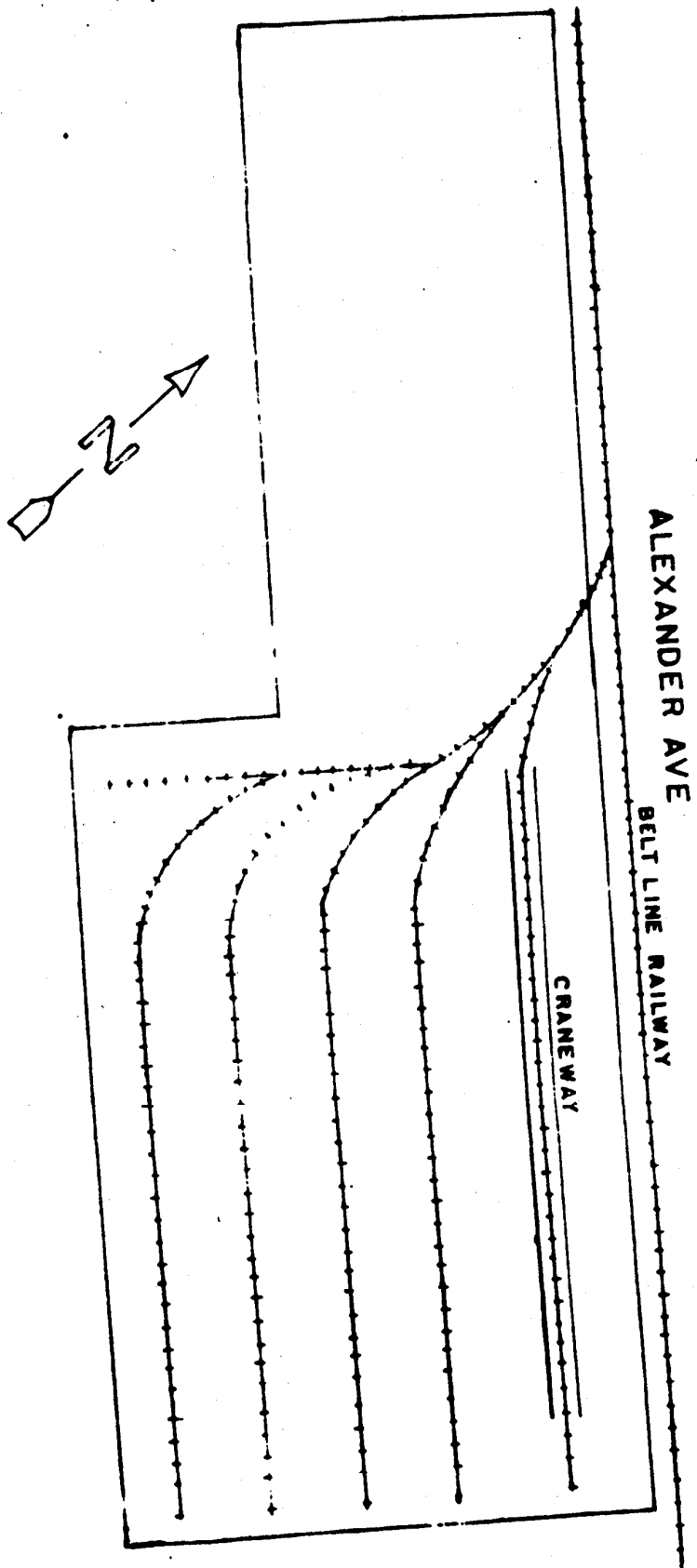
PART III - ADDENDA

SUBJECT PROPERTIES

400' ± 1"



PARCEL B RAILROAD & CRANE TRACKS



F. B. McCARTHY COMPANY
RAILROAD CONSTRUCTION CONTRACTORS
807 NORTH ELEVENTH TELEPHONE MARKET 7-6668
TACOMA 3, WASHINGTON

October 6, 1961

Mr. F.N. McCarty
806 Washington Building
Tacoma, Washington

Dear Mr. McCarty:

Pursuant to your request, I have inspected the railroad trackage and craneway track, located on a portion of the former Navy shipyard, fronting on Alexander Avenue and East of 11th Street, Tacoma, Washington. Railroad trackage consists of approximately 6,650 feet, including five turnouts. This railroad trackage is standard gauge. It appears to be 72-lb. used rail. The craneway track is approximately 930 feet in length, of 130-lb. crane-way rail.

It would be our opinion that the railroad track would be usable for approximately four years on an ordinary-use basis. At that time, it would probably have to be rehabilitated. My estimate of the rehabilitation cost would be approximately \$10,000.00.

If the railroad track were to be salvaged, we would estimate the salvage at \$6,700.00. We estimate the salvage on the craneway track at approximately \$2,200.00.

We estimate, to install a comparable railroad track on Parcel "C" would cost approximately \$97,000.00.

We estimate the cost to install a comparable craneway track on Parcel "C" at \$13,000.00.

Yours very truly,


F.B. McCarthy

FBMcC mh



Mr. F.N. McCarty
806 Washington Building
Tacoma, Washington

Dear Mr. McCarty:

Pursuant to your request, I have inspected the wooden fence located on Alexander Avenue on part of the former Seattle-Tacoma shipyard property. My estimate of its reproduction cost, new, follows:

200' - 2" x 4" Picket Fence - 8" x 8" posts @ 8' c-c set in concrete, including wood gates. <u>7' high fence.</u>	+ tax	\$ 2,142.00
345' - Solid 1" Board Fence - 8" c 8" posts @ 8' c-c set in concrete, including wood gate. <u>7' high fence.</u>	+ tax	2,105.00
2,570' - 2" x 4" Picket Fence - 10' high - 8" x 8" posts set in concrete, including steel gates.	+ tax	<u>15,220.00</u>
	Total	\$ 19,467.00
	+ tax	<u>778.68</u>
	Total Cost	\$ 20,245.68

I have also estimated the replacement cost, new, of a new fence having equal utility. Most industrial installations, today, use chain-link fence. Ordinarily, chain-link fences do not exceed a height of 8'. My estimate of this cost follows"

3,000' of 8' chain-link fence plus 7-20' gates	\$ 14,676.00
+ tax	<u>587.04</u>
Total Cost	\$ 15,263.04

You also asked that I estimate the cost of keeping the existing fence upright and in usable condition for approximately the next eight years. I believe this can be accomplished by installing 6" x 6" posts 16' apart. My estimate of this cost is \$ 650.00

Yours truly,

Ben Rome
Ben Rome

STAR IRON & STEEL CO.

435 EAST 11TH STREET • TACOMA 2, WASHINGTON
TELEPHONE MARKET 7-9133

DESIGNERS AND MANUFACTURERS OF CRANES

October 5, 1961

Mr. F.N. McCarty
Washington Building
Tacoma, Washington

SUBJECT: Whirley Crane No. 16 at Port of Tacoma Industrial Yard.

Dear Sir:

We have inspected the Port of Tacoma Industrial Yard Crane No. 16, an American Hoist and Derrick Co. Model 820, bearing manufacturers serial number 261.

The crane appears to be complete, except for the counterweight and the rope for the hoisting and luffing lines. The travel motors and cable reel have been removed from the portal sills but we understand they are available and were removed as protection against deterioration.

From this inspection, we would estimate the value of this crane, as it stands, at todays market, to be approximately \$50,000.00.

Yours very truly,

STAR IRON & STEEL CO.

Edgar W. Fritz

EWF:mb

APPRAISER'S QUALIFICATIONS

F. N. MCCARTY
806 WASHINGTON BUILDING
TACOMA, WASHINGTON

Real Estate Experience

1. Salesman - broker since Spring of 1947 in Tacoma area.
2. Includes sales or acquisitions of residential, commercial, and industrial properties.
3. Includes lease negotiation, rezoning, remodeling and new construction.

Appraisal Experience

1. Clients
State of Washington, Highway Department
Pierce County, Board of Commissioners
City of Tacoma, Public Works Department
City of Tacoma, Urban Renewal Department
Tacoma School Board
Metropolitan Park Board
Lending Institutions
Local and National Institutions
Private Individuals
2. Qualified as expert witness on real estate values in Pierce County Superior Courts.

Member of

1. Tacoma Real Estate Board
2. Washington Board of Realtors
3. National Association of Real Estate Boards
4. American Right of Way Association
5. American Institute of Real Estate Appraisers, qualifying designation M. A. I.
6. Senior member of Society of Residential Appraisers, an International Organization, qualifying designation S. R. A.

Offices Held

1. Past Chairman of Appraisal Committee of Tacoma Real Estate Board.
2. Past President of Tacoma Chapter #61 of the Society of Residential Appraisers.

COPY

National Archives - Pacific NW Region
6125 Sand Point Way, NE
Seattle, WA 98115

Record Group NO. B6291 Federal Prop Resources Serv.

Additional Information Search office - Prop. Case Files

Box 110

Folder "N-Wash-595 Former Naval Shipyard
Tacoma, WA"

TAB 9-85

Western Division Director, PMDS, DDRW

February 21, 1967

Chief, Real Property Division, PMDS,

10DR

Naval Industrial Reserve Shipyard
Tacoma, Washington
N-Wash-595

Attached for your information is a copy of memorandum to The Record which is considered to be self-explanatory. The Port of Tacoma indicated pretty strongly they consider their maintenance has been excellent and their relationship with the local navy inspectors apparently tended to concur with their beliefs. Accordingly, they have no desire to pay any money for the release of any restrictions.

V. L. Barnes

Attachment

10DR:VL Barnes;v, 2-21-67

UNITED STATES GOVERNMENT

GENERAL SERVICES ADMINISTRATION

Memorandum

TO : The File

Date: February 21, 1967

FROM : Chief, Real Property Division, PMDS

In reply refer to: 10DR

SUBJECT: Naval Industrial Reserve Shipyard
Tacoma, Washington
N-Wash-595

By letter dated July 27, 1966, Department of the Navy informed GSA the National Security Clause could be lifted from certain facilities. Among them was the Naval Industrial Reserve Shipyard, Tacoma, Washington, N-Wash-595.

I accordingly contacted Mark Anderson, Manager of the Port of Tacoma, to determine whether or not they were interested in having the NIR restrictions lifted from their mortgage. After several discussions Mr. Anderson informed me on February 20 the port was desirous of having restrictions lifted, but would not pay any money for the lifting of those restrictions. I explained procedures to him and told him it would be necessary that we have the restrictions appraised and that they pay that amount. He felt, because of the short period of time remaining under the National Security Clause, it was not worth their effort or time to pay any money.

Accordingly, it is their choice that the property remain under the provisions of the National Security Clause until its expiration, in accordance with the existing mortgage.

V. L. Barnes

V. L. Barnes

cc: Mr. Austin, DDRW



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

GENERAL SERVICES ADMINISTRATION											
ROUTING SLIP											
TO	CO	R1	R2	R3	R4	R5	R6	R7	R8	R9	R10
NAME AND/OR SYMBOL						BUILDING, ROOM, ETC.					
1. <u>Regional Director, UDS, Auburn, Wash.</u>											
2. <u>[Signature]</u>											
3. <u>[Signature]</u>											
4. <u>[Signature]</u>											
5. <u>[Signature]</u>											
<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ALLOTMENT SYMBOL <input type="checkbox"/> APPROVAL <input type="checkbox"/> AS REQUESTED <input type="checkbox"/> CONCURRENCE <input type="checkbox"/> CORRECTION <input type="checkbox"/> FILING <input type="checkbox"/> FULL REPORT <input type="checkbox"/> ANSWER OR ACKNOWLEDGE ON OR BEFORE _____ <input type="checkbox"/> PREPARE REPLY FOR THE SIGNATURE OF _____ </div> <div style="width: 33%;"> <input type="checkbox"/> HANDLE DIRECT <input type="checkbox"/> IMMEDIATE ACTION <input type="checkbox"/> INITIALS <input type="checkbox"/> NECESSARY ACTION <input type="checkbox"/> NOTE AND RETURN <input type="checkbox"/> PER OUR CONVERSATION <input type="checkbox"/> PER TELEPHONE CONVERSATION </div> <div style="width: 33%;"> <input type="checkbox"/> READ AND DESTROY <input type="checkbox"/> RECOMMENDATION <input type="checkbox"/> SEE ME <input type="checkbox"/> SIGNATURE <input type="checkbox"/> YOUR COMMENT <input type="checkbox"/> YOUR INFORMATION </div> </div>											
<p>REMARKS</p> <p style="text-align: center;">For your information and appropriate action.</p> <p style="font-size: 1.2em; font-family: cursive;">Pls order. Off. in 1/2 hr. on our 1 plus note. [Signature]</p>											
FROM	CO	R1	R2	R3	R4	R5	R6	R7	R8	R9	R10
NAME AND/OR SYMBOL						BUILDING, ROOM, ETC.					
D. C. Austin - URW											
						TELEPHONE		DATE			
								8-3-66			



DEPARTMENT OF THE NAVY
NAVAL SHIP SYSTEMS COMMAND
WASHINGTON, D.C. 20360

IN REPLY REFER TO
4862
Ser 07411-149

27 JUL 1966

Honorable Walter C. Moreland
Assistant Commissioner for Real Property
General Services Administration
Washington, D. C.

Dear Mr. Moreland:

The purpose of this letter is to advise you that the Shipyards and Industrial Plants listed in enclosure (1), sponsored by the Naval Ship Systems Command, were sold during the period 1947 to 1959 subject to a National Security Clause (NSC). These facilities are no longer required by the Navy Department for mobilization purposes, and have been removed from the Departmental Plant Reserve.

It is our understanding that General Services Administration has agreed to assume responsibility for these National Security Clauses, including the disposal of the residual values of the unexpired portions.

It has been our practice to release an owner from the restrictions imposed by the Clause by requiring the payment to the Government of an amount representing the allowance given for the Clause at the time of sale, prorated for the unexpired portion. This follows the practice of your Administration which was sustained by the Court of Claims in May 1960 in the case of Fawick Corporation VS U. S. (149 Ct. Cl. 623).

We will be pleased to furnish any additional information you may require, and would appreciate being advised of any disposals you are able to make.

Sincerely yours,

R. E. Barnhart

R. E. Barnhart
Captain, USN
Acting Deputy Commander for Shipyards

AUG 2 1966

<u>NAME & LOCATION</u>	<u>SALES DATE</u>	<u>DURATION NSC</u>	<u>NSC ALLOWANCE</u>	<u>TIME REMAINING AS OF 1 AUG 1966</u>
Alabama Dry Dock & Shipbuilding Co. Mobile, Alabama NObs-77	Jun '50	20 years	\$1,226,727	3 years 10 months
Bath Iron Works Bath, Maine NObs-1070	Jul '48	20 years	\$ 495,700	1 year 11 months
Bethlehem Pacific Coast Steel Corp. Shipbuilding Div. San Pedro Yard San Pedro, Calif. NObs-3924	Oct '57	20 years	\$ 90,000	11 years 3 months
Maryland Shipbldg. & Dry Dock Co. Baltimore, Md. NObs-2727	Dec '50	20 years	\$2,642,599	4 years 5 months
Naval Industrial Reserve Shipyard Tacoma, Wash. NObs-779	Dec '59	10 years	*	3 years 5 months
Savannah Machine & Foundry Co. Savannah, Georgia NObs-9	Jun '47	20 years	\$ 728,000	0 years 10 months
Todd Shipyard Corp. Houston, Texas NObs-421	Apr '48	20 years	\$1,679,000	1 year 8 months
Collins Radio Co. Cedar Rapids, Iowa NObs-652	Nov '47	20 years	\$ 49,800	1 year 3 months
Fairbanks Morse & Company Beloit, Wisconsin NObs-44	Aug '47	20 years	\$ 257,500	1 year 0 months
Falk Corporation Milwaukee, Wisc. NObs-1884	Dec '48	20 years	\$ 937,120	2 years 5 months

71 weeks

<u>NAME & LOCATION</u>	<u>SALES DATE</u>	<u>DURATION NSC</u>	<u>NSC ALLOWANCE</u>	<u>TIME REMAINING AS OF 1 AUG 1966</u>
Hyde Windlass Co. Bath, Maine NObs-393	Oct '47	20 years	*	1 year 3 months
Ratheon Mfg. Co. Waltham, Mass. NObs-67	Jul '48	20 years	\$ 406,500	1 year 11 months
Western Gear Corp. Lynwood, Calif. NObs-78	Jan '49	20 years	\$ 143,500	2 years 5 months
Westinghouse Elec. Corp. Electronic Div. Friendship Airport Baltimore, Md. NObs-3868	Jun '53	15 years	*	1 year 11 months

* Sale by GSA information
unavailable in NAVSHIP.

Encl (1) to NAVSHIPS Ser 07411-149

TAB 9-86

SUPERVISOR OF SHIPBUILDING, U. S. NAVY
TODD PACIFIC SHIPYARDS INC.

Seattle, Washington

Al2
(23:eh)

19 September 1945

From: Supervisor of Shipbuilding, USN

To: Commander L. H. Hirsch
Commander A. V. R. Watson
Lieut. Commander F. V. Shepard
Lieut. Commander H. Feyge
Lieut. Commander C. M. Waitner
Lieut. Commander L. H. Lyon
Lieut. D. J. Gerry
Lieut. J. C. Donahue
Lieut. W. A. Knowles
Lieut. W. F. Sullivan
Lieut. J. T. Sorensen
Lieut. L. Dulberg
Lieut. R. P. Monold
Lieut. (jg) P. J. Spackman
Lieut. (jg) Alice W. Jones
Lieut. (jg) R. F. Walker
Lieut. (jg) R. W. Sharp

Subj: Wartime History - Office of Supervisor of Shipbuilding.

Ref: (a) SupShips (Seattle) multiple address ltr, Al2 (23:eh),
dtd 13 Jul 1945 (subject Wartime History).

Encl: (A) Copy of first draft of "Wartime History" developed by
Commander R. B. Pick.

1. Supplementing reference (a), Enclosure (A) is forwarded herewith. Conference Number 2, as indicated in reference (a), will not be held; but Enclosure (A) is forwarded herewith in lieu thereof for immediate action of all addressees.

2. Each addressee is directed to read and study Enclosure (A) in its entirety; and it is requested that each addressee prepare a similar statement enlarging on that part of Enclosure (A) relating to his field.

3. As a guide in the development of statements, the following suggestions are offered in order to facilitate the method of approach to the preparation required:

a. Major problems of operation (summary of methods of solving problems).

A12
(23:eh)

- 2 -

19 September 1945

Re: Wartime History - Office of Supervisor of Shipbuilding

b. Examples of decentralization of control by Washington authorities which allow more local control.

c. Major accomplishments of activity (include available reports).

d. Biographical sketches of wartime commanding officers or officers in charge.

e. Control over activity exercised by

- (1) Commandant, Thirteenth Naval District
- (2) Commandant, Puget Sound Navy Yard
- (3) Commander, Northwestern Sector
- (4) Commander, Western Sea Frontier
- (5) Bureau of Ships
- (6) Executive Office of the Secretary of the Navy
- (7) Chief of Naval Operations.

f. Subordinate activities, if any, coming under cognizance of station.

g. Primary function or functions of activity (include copies of most important policy-making directives and orders).

h. Additional functions assumed by activity since the beginning of the war.

i. Methods by which costs were saved to the Government.

j. Methods by which submission of more efficient methods were encouraged.

k. Time-saving methods.

l. Methods of boosting morale — any unexpected results.

m. What part in the management of the yard was found necessary for efficient operation?

(1) Relation to cost inspection, i.e., should cost inspection handle all costing, such as purchase order price, or is it satisfactory as an auditing as distinguished from an auditing and costing service?

n. What problems presented?

o. What problems presented upon which a clear-cut policy has not yet been outlined?

A12
(23:ch)

- 3 -

19 September 1945


Re: Wartime History - Office of Supervisor of Shipbuilding

- p. Is authority clearly understood?
- q. What billets are considered essential to compose the military personnel, and why?
- r. What Bureau letters, pilot letters, orders, or directives do you consider landmarks, and why?
- s. What decentralization was effected by the supervising activity? Is further decentralization recommended--if so, why?
- t. Methods of inspection--material inspection at source--difficulties encountered.
- u. Add any further comments considered to be of historical value concerning the Office of the Supervisor of Shipbuilding.

4. Attention of the addressees is also directed to the fact that all maps, organizational charts, orders, reports, circular letters, and photographs of interest to this program should be forwarded, six copies of each, as soon as possible. It is requested that such records be submitted on 8" x 10½" paper without perforations and that any text showing thereon be double-spaced with a margin of about 1½" at the left of the page.

5. Inasmuch as the local history of the Supervisor of Shipbuilding is to be completed and submitted prior to 1 December 1945 and is to cover through 14 August 1945, it is directed that the preparation of statements requested be given the immediate attention of all addressees.

6. Questions regarding this letter will be answered by Lieutenant R. J. McCormick, Main-6915, Extension 497.


C. J. HARDESTY
Acting

cc - Lt. Jordan (Wartime History Officer, 13ND) ←
Wartime History Officer, PSNY

(Encl. A)

NAVAL HISTORY

Part I

Historical Development of the Activity

CHAPTER I - Historical Development (1903-1939)

(Omitted)

CHAPTER II (1)

The Office of the Supervisor of Shipbuilding was established at Lake Washington Shipyards by Captain (then Commander) Stubbs, USN, who reported for duty at that yard on 16 August 1940. Lieutenant Commander (then Lieutenant) F. V. Shepard, USN (Ret) reported at Lake Washington Shipyards 1 September 1940, and the Office of Supervisor of Shipbuilding was formally established. Prior to the reporting of Captain Stubbs at Lake Washington Shipyards, the Inspector of Naval Material at Seattle inspected new construction work for the Navy at Lake Washington Shipyards, Associated Shipbuilders, Pacific Car and Foundry, (Renton, Washington), Birchfield Boiler Works (Tacoma), and at several other yards in this district. The vessels inspected by the Inspector of Naval Material consisted of barks, barges, covered lighters, artillery lighters, and similar types of small craft.

On September 23, 1940, Captain (then Commander) Malone reported for duty in this district and proceeded to survey all yards in the Seattle, Tacoma, Portland, and Pacific Northwest districts, up to the Canadian border, in regard to placing Navy contracts for new construction work. As a result of Captain Malone's investigations, the following yards were recommended for expansion and further development in order to handle the proposed Navy Shipbuilding program:

Portland Area: Albina Machine Works, Commercial Iron Works, and Willamette Iron Works;

Tacoma area: Seattle-Tacoma Shipbuilding Corporation (Tacoma Division)

Seattle Area: Seattle-Tacoma Shipbuilding Corporation (Seattle Division); Lake Washington Shipyards (Renton, Washington); Associated Shipbuilders (Seattle, Washington); Winslow Marine Railway and Shipbuilding Company (Winslow, Washington)

- 2 -

The Seattle plant of the Seattle-Tacoma Shipbuilding Corporation (later changed to Todd Pacific Shipyards, Seattle plant) was non-existent at that time. The corporation purchased the site but made no further investment. The entire yard was built by the Navy at a cost of approximately \$6,000,000. The clearing of the site of this proposed shipyard located near the northeast corner of Harbor Island, was started in October, 1940, and every effort was made to expedite completion in order to start work on construction. The work was done by the J. A. McEachern Construction Company assisted by several other subcontractors and was under the general supervision of the Supervisor of Shipbuilding, whose entire staff at that time consisted of one Commander, U.S.N. (Stubbs); one Lieutenant Commander, Construction Corps, U.S.N., Retired (Pick); one Lieutenant, U.S.N., Retired (Shepard); one Lieutenant, Civil Engineering Corps, U.S.N.R., (McGuire) and one Chief Carpenter, U.S.N., Retired (Lyon)

While the construction work was in progress at Seattle-Tacoma Shipbuilding Corporation, work was also started to expand existing facilities at Associated Shipbuilders, Harbor Island plant, at a total cost of \$1,600,000; and at Lake Washington Shipyards, Houghton, Washington, at a total cost of \$1,500,000. At a later date the Navy Department authorized additional facilities at Government expense at the Winslow Marine Railway and Shipbuilding Corporation. The work at Lake Washington Shipyards was paid for by the Defense plant corporation, but the progress of the work was locally supervised by the Supervisor of Shipbuilding.

The first keels of the yards listed in the foregoing paragraphs were laid as follows:

Todd Pacific Shipyards, Inc., Seattle Division (Seattle)
(formerly Seattle-Tacoma Shipbuilding Corporation)

U.S.S. CARLICK (DD-493, 16 20-ton destroyer; keel laid 5/29/41

Todd Pacific Shipyards, Inc. Tacoma Division (Tacoma)
(formerly Seattle-Tacoma Shipbuilding Corporation)

U.S.S. FATAISCO (AO6-1), Gasoline tanker; contract let 3/3/41

Fuget Sound Bridge & Dredging Co.

YC-707 (500-ton open lighter non-self-propelled); keel laid 10/22/40

Associated Shipbuilders (Plant I at Lake Union, Plant II at Harbor Island)

YF-268 (500-ton covered lighter non-self-propelled); keel laid 11/10/40

Lake Washington Shipyards (Houghton, Washington)

U.S.S. ALMA (YT-1); 500 ton net tender, keel laid 10/14/40

- 3 -

- Winslow Marine Ry. & Shipbuilding Co. (Winslow, Washington)
U.S.S. PURSUIT (AM-108); 812 ton Minesweeper (Fleet Type); contract let 4/1/41.
- Everett Pacific Shipbuilding & Dry Dock Co. (Everett, Washington)
(formerly Everett Pacific Co.)
AN-38 (net-laying ship) 11/10/42
- Everett Marine Railways, Inc. (Everett, Washington)
ML-1187 (motor launch) and ML-1188; keels laid 5/15/42
- Bellingham Iron Works (Bellingham, Washington)
(formerly Bellingham Marine Railway & Shipbuilding Co.)
PIMS-17 (motor minesweeper); keel laid 7/21/41
- Reinell Boat Works (Marysville, Washington)
C-42270 (utility boat) July, 1942
- Northwestern Shipbuilding Co. (Bellingham, Washington)
YMS-285 and 286 (motor launch); keels laid 6/26/42
- Sagstad Shipyards (Seattle, Washington)
YP-631 (refrigerator cargo); keel laid July 3, 1944
- North Pacific Shipbuilding Corp. (Anacortes, Washington)
C-21407 (40-ft. motor launch); keel laid approximately 6/25/44
- Seattle Shipbuilding & Dry Docking Corp. (Seattle, Washington)
BYMS-21 (motor minesweeper); keel laid 8/11/41
- Ballard Marine Railway Co. (Seattle, Washington)
BYMS-25 and 26 (motor minesweepers); keels laid 9/5/41
- Shawn Manufacturing Co. (Seattle, Washington)
IFB-19 (ferry boat); keel laid 2/24/41.
- H. J. Blanchard Boat Co. (Seattle, Washington)
C-2879 (aircraft rescue boat); contract let 2/14/41
- Washington Boat Works (Seattle, Washington)
Cpl5907 (Picket Boat); keel laid 1/5/43
- J. M. Martinac Shipbuilding Corp. (Tacoma, Washington)
YMS-125 (motor driven minesweeper with wood hull); keel laid 6/2/41
- Tacoma Boat Building Co. (Tacoma, Washington)
YMS-129; keel laid 5/27/41
- Western Boat Building Co. (Tacoma, Washington)
YMS-133; contract let 7/14/41

- 4 -

Mojean & Erickson (Tacoma, Washington)

Y-222 (motor driven minesweeper with wood hull); contract let 3/14/42

Nelson Boiler & Tank Co. (Tacoma, Washington)

YF-325 (500-ton covered lighter non-self-propelled); keel laid 6/30/41

Pacific Car & Foundry Co. (Fenton plant and Lake Union plant)

YF-273 (250-ton covered lighter non-self-propelled); keel laid 11/10/40

Gray's Harbor Shipbuilding Co. (Aberdeen, Washington)

ML-1187 (motor launch); keel laid 5/18/42

Hirchfield Boiler Works (Tacoma, Washington)

YF-280 (500-ton covered lighter insul.); keel laid 10/21/40

Grandy Boat Company (Seattle, Washington)

C-21447 (picket boat); keel laid 6/20/41

Olsen & Hinge (Seattle, Washington)

YC-836 (open lighter) and YC-837; keels laid 10/1/42

Pointer Willamette Co. (Edmonds, Washington)

YSR-25 (sludge removal barge) and YF-708 (covered lighter); keels laid 5/1/44

Albina Machine Works (Portland, Oregon)

PC-569 (173-ft. submarine chaser); contract let 4/1/41

Commercial Iron Works (Portland, Oregon)

U.S.S. CATALPA (boom net tender); keel laid 10/24/40

Willamette Iron Works (Portland, Oregon)

U.S.S. CATSKILL (CM-6), minelayer; keel laid 7/12/41

CHAPTER II (2)

Strenuous efforts were made by the Supervisor of Shipbuilding throughout 1941 to obtain sufficient officers to supervise the rapidly expanding construction program in the Pacific Northwest; however, due to the demand for officers by the forces afloat, the Supervisor was forced to carry on with an utterly inadequate complement of officers. It was the intention of the Supervisor to handle all administrative matters from one central office, located preferably in the business district of Seattle, but as no office space was available in the Federal Office Building or any other suitable building, a special Navy wing was added to the Seattle-Tacoma Shipbuilding Corporation Administration Building.

- 5 -

In the beginning, it was impracticable to assign any officers as resident assistant supervisors; and the few officers then on duty had to visit all yards periodically and to leave daily inspection work in the hands of civilian inspectors. This office was very fortunate in securing the services of a number of very competent, but in some cases superannuated, civilian inspectors who carried on under extremely trying conditions. As soon as officers became available, resident assistant supervisors were assigned to the Portland yards, later to the Tacoma yards, and finally to yards located in Seattle and vicinity—Everett and Bollingham, Washington. The inspection work at a number of the smaller yards building wooden minesweepers, picket launches, tugs, and so forth, was supervised by a mobile inspection unit consisting of one or two officers who visited all yards for routine inspection work and on special occasions, such as launchings, commissionings, and so forth.

All general administrative work and all general correspondence were handled in the main office of the Supervisor of Shipbuilding located in the Administration Building of Seattle-Tacoma Shipbuilding Corporation, Seattle.

CHAPTER II (3)

The Office of the Supervisor of Shipbuilding has always operated under the direction of the Chief of the Bureau of Ships and later, to some extent, under the Inspection Division of the Office of Procurement and Material. In the beginning, the Compensation Board of the Navy Department exercised supervision over certain fiscal matters, such as purchases of material and salaries. The Compensation Board was abolished on 9 February 1942, and thereafter the Bureau of Ships assumed control of those matters. No other changes occurred to date.

CHAPTER II (4)

The main office of the Supervisor of Shipbuilding, Seattle, is located in the Administration Building of the Todd Pacific Shipyards, Seattle Division, and all general correspondence and office work, such as priorities, allotments, C.I.P. reports, surplus materials, Government-furnished material, outfitting, personnel, security, contract payments, are handled from the main office. Small branch offices designated as "duty stations" are maintained at the larger shipyards in this area.

CHAPTER II (5)

Resident assistant supervisors at outlying yards are operating under the direct supervision of the Supervisor of Shipbuilding, and their major duties are the inspection of ship construction, promoting the efficiency of the yards, and expediting the shipbuilding work. Every effort was made by

- 6 -

the main office to relieve resident assistant inspectors of unnecessary paper work and frequent inspections were made by the security officer and other specialists attached to the main office in order to avoid any interference with the war effort and to comply with directives issued by the Navy Department, the War Labor Board, War Production Board, and other Government agencies.

CHAPTER II (6)

In addition to supervising Naval construction, the Supervisor and his staff were also engaged in matters pertaining to the acquisition of real estate by purchase or lease for expansion of existing yards and obtaining the assistance of local and Government housing authorities to provide housing and transportation for defense workers.

CHAPTER II (7)

Facilities for shipbuilding in the Pacific Northwest were inadequate in the beginning, and steps were taken by the Navy Department to enlarge existing yards and to build and equip a new yard — Seattle-Tacoma Shipbuilding Corporation — for the construction of destroyers.

CHAPTER III (1)

On 13 December 1941, all shipyards under the supervision of this office started to work six days a week, and efforts were made to increase the force in order to work three shifts.

CHAPTER III (2)

Only a very limited amount of private shipbuilding was in progress in the Pacific Northwest at that time. A small number of wooden fishing vessels were under construction; but operators of these small yards were finding it very difficult to obtain labor and essential materials. At the outbreak of the war, private shipbuilding practically ceased in the entire district and all available shipyards became engaged in Army, Navy, and Maritime Commission new construction and repair work.

CHAPTER III (3)

As a result of a survey conducted by representatives of the Bureau of Ships, a number of existing shipyards were enlarged, and one new yard was built in Seattle, funds being provided by the Navy Department and, in some cases, by the Defense Plant Corporation. A number of the smaller yards obtained "certificates of necessity" from the Navy Department and enlarged existing facilities,

- 7 -

using their own funds or funds provided by the Reconstruction Finance Corporation and private banks.

CHAPTER III (4)

After the outbreak of the war, it became increasingly difficult for manufacturers of consumers' goods to continue operation as priorities for essential material and labor were limited to work essential to the war effort. A large number of small manufacturers changed from civilian production to war production; others discontinued operations and applied for positions in shipyards and other war plants.

As manpower became critical, all shipyards were compelled to employ and train women and to provide shipyards with adequate facilities for their employment.

Part II

The Supervisor's Staff and War Accomplishments

CHAPTER IV (1)

Captain William J. Malone, U.S.N., was the Supervisor of Shipbuilding from 23 September, 1940, until 11 September, 1943; he was relieved by Captain H. N. Hallin, U.S.N., who reported for duty 29 October 1943.

CHAPTER IV (2)

At the outbreak of the war on 7 December 1941, the Supervisor's staff consisted of: Two commanders, U.S.N.; one Lieutenant Commander (Construction Corps), U.S.N., retired; one Lieutenant Commander, U.S.N.; one Lieutenant, U.S.N., retired; one Lieutenant, Civil Engineering Corps, U.S.N.R.; two Lieutenants, U.S.N.R.; one Ensign, U.S.N.R.; one Chief Carpenter, U.S.N., retired. This force was utterly inadequate to handle the existing workload, and every effort was made by the Supervisor to obtain additional officers. It was impracticable for the Bureau of Ships to furnish the necessary officers as all available officers were needed by the forces afloat. As a result, the few officers available had to supervise the work of all departments and sections, and inspection officers had to visit all outlying yards at regular intervals in order to assist the civilian inspectors who were at that time acting independently. Gradually, however, the Navy Department was able to assign additional officers to this office, and these officers were assigned to various duties according to their educational and professional background. It was not practicable, however, to adhere to this practice, and many officers had to learn an entirely new profession; for example, a chief engineer of a glass factory became a resident

- 8 -

assistant supervisor at one of the larger yards. A WAVE officer who was an architect in civilian life, became the head of the Contracts Payments Section. A former Marine insurance man took charge of priorities and the controlled materials plan. A lawyer was placed in charge of expediting and handling material. A WAVE officer, formerly a bacteriologist, was placed in charge of communications and distribution of instruction books, and so on.

All officers performed their many duties cheerfully and made every effort to learn their particular specialty and to train subordinates. All officers were given a short intensive course of training in the main office before being assigned to independent duties in the main office or in offices of resident assistant supervisors.

CHAPTER IV (3) - "Doubling in Brass" (multiple duties)

— Omitted —

CHAPTER IV (4) - Assistant Supervisors

— Omitted —

CHAPTER V (1)

The staff of the Supervisor of Shipbuilding was divided into three divisions, as follows: A Technical Division to handle all technical matters, consisting of the following sections — engineering and electrical, changes, and hull and small craft; an Administrative Division to handle all administrative matters, consisting of the following sections — communications, security and labor relations, Navy Management Program, legal assistance, personnel (composed of contractor personnel; officer and enlisted personnel; and Civil Service personnel), contract (composed of contract terminations; purchase orders and facilities; and contract payments), materials (composed of allowance and outfitting; Government-furnished material; controlled materials, priorities, and allocations; material progress and expediting; and surplus material redistribution); an Inspection Division composed of resident assistant supervisors of shipbuilding in the various yards. The Supervisor of Shipbuilding is also the Inspector of Naval Ordnance and a special ordnance section was organized to handle all ordnance matters. A special trial board section consisting of the senior assistant to the Supervisor of Shipbuilding and several other officers, was appointed to handle trials of vessels.

During the early part of 1945, repair work was undertaken at some of the new construction yards in collaboration with the Assistant to the Industrial Manager, Puget Sound Navy Yard. This repair program was gradually expanded, and at the present time, ship repair work is in progress at five large shipyards in the Seattle district.

- 9 -

Part III

Logistical and Operational Organization

CHAPTER VI (1)

The major aspects and problems of the Supervisor of Shipbuilding may be summarized as follows:

To administer Navy shipbuilding, conversion, completion, and repair contracts of Naval vessels at those commercial shipyards under the cognizance of the Supervisor of Shipbuilding:

- (a) to supervise the performance of all necessary technical and inspection work to see that satisfactory production is maintained and scheduled completion dates are met;
- (b) to insure that ships are constructed or repaired in accordance with contract terms, approved plans and specifications and that all work is done in an efficient, economical, and expeditious manner, and in accordance with contract terms and requirements;
- (c) to assist the contractors and all government agencies concerned in every practicable way in the execution of the contracts, and to insure that the workload is properly distributed by recommending assignment of prime contracts and allocating subcontracts;
- (d) to insure that the Office of the Supervisor of Shipbuilding is operated in compliance with Navy Regulations, Instructions for Superintending Constructors, Naval Inspection Manual, Bureau of Personnel Manual, Bureau of Supplies and Accounts Manual, Bureau of Ordnance Manual, and such other books or letters of instruction or directives as may be issued by the Navy Department from time to time.

To act as Naval Inspector of Ordnance on matters pertaining to the installation of fire-control and ordnance equipment on ships building or being repaired in the Seattle district:

- (a) to insure conformity with approved plans and specifications, and to provide such performance tests as are necessary to insure its proper functioning.

To carry out such policies and orders concerning military matters, labor relations, and other matters pertaining to contracts under the cognizance of the Supervisor of Shipbuilding, Seattle, Washington.

CHAPTER VI (2a)

No major changes in methods and standards of inspection were made during the war period. In the beginning, it was necessary to authorize the use of a substitute material and to accept work which was not of the same

- 10 -

standard as that performed by pre-war mechanics. All contractors were faced with the problem of training shipyard mechanics, and the work of those trainees was necessarily somewhat below the usual standard. No major substitutions were made without approval of the Bureau of Ships, and no unsatisfactory work was accepted.

As the trainees became familiar with their work, the inspection standard was gradually raised and is now practically the same as that in effect prior to the war.

CHAPTER VI (2b)

No particular difficulty was experienced in obtaining competent civilian inspectors for ship construction work. From the very beginning, an effort was made to obtain men who were above the draft age and who were qualified inspectors.

CHAPTER VI (2c)

No difficulty whatsoever was experienced in regard to inspection of material for Naval ship construction. The Inspectors of Naval Material were required by the Bureau of Ships to maintain a schedule of deliveries and, although essential material was sometimes not available when needed, the procedure established by the Bureau was for the best interests of the Naval service. In only a very few cases did this office object to material which had been passed by Inspectors of Naval Material.

CHAPTER VII (1)

Changes in design and substitution of materials were authorized without prior Bureau approval whenever necessary to speed production; however, all important matters were referred to the Bureau, and all differences in cost due to changes in design or substitution of material, were taken into consideration and were handled in accordance with the usual practice. For example, in the case of the wooden shipbuilding program, the Supervisor was compelled to authorize the use of local lumber in order to avoid the delay due to procurement and shipment of eastern lumber.

CHAPTER VII (2)

Like all other Offices of Supervisor of Shipbuilding, this office became involved in general production problems, such as manpower, labor relations, and finance. However, no serious difficulties were experienced in regard to these problems, and no serious strikes occurred during the entire program. The Supervisor maintained close contact with the District Civilian Personnel Director of the Thirteenth Naval District, the War Manpower Commission, and the National Labor Relations Board, in regard to manpower and

- 11 -

labor relations and draft deferments. No serious financial difficulties were experienced by any of the contractors under the supervision of this office, and the Supervisor maintained close contact with the representatives of the Reconstruction Finance Corporation, the Pacific Coast Section of the Re-negotiation Board, Defense Plant Corporation, and other Government activities.

CHAPTER VII (3)

Practically all yards conducted all business through the Supervisor of Shipbuilding. In some cases, however, contractors contacted the Bureau direct through their Washington representatives in order to obtain preferential treatment in regard to certain matters. As soon as these contractors became convinced that nothing could be gained by this procedure, they conferred with the Supervisor on all matters and routed all correspondence via his office.

CHAPTER VII (4)

When the priority system was put in effect, the use of Form PD-3A caused a considerable increase in paper work on the part of this office and of the contractors. The Office of the Supervisor was flooded with letters of inquiry, telephone calls, and dispatches from various contractors and subcontractors who were unable to understand the priority system and who were unable to obtain material. The priority system was followed by the Production Requirement Plan, which also caused considerable extra work on the part of contractors and this office and did not ameliorate conditions. The adoption of the controlled materials plan did not facilitate the procurement of material in the beginning, but as the plan became established, and after five or six revisions, it became easier to procure essential material for the shipbuilding program. It was extremely difficult for all shipyard contractors to estimate their requirements with any degree of accuracy, as it was impossible to employ any competent help for this work.

CHAPTER VII (5)

The system adopted by the Bureau in pooling all orders for certain classes of material, such as boilers, reduction gears, turbines, and so forth, for destroyers, and scheduling deliveries of such essential material, greatly facilitated the progress of the shipbuilding program. Prior to that time, so-called expeditors from the various shipyards were travelling at the expense of the Government to plants of manufacturers and were using high-pressure methods to obtain material for their own yards. The method employed by the Bureau to insure an orderly flow of material was of great benefit to the building program.

- 12 -

CHAPTER VII (6)

No difficulty was experienced by this office with Inspectors of Naval Material in regard to production and procurement matters. A special material progress and expediting section was established, and all contractors were kept advised in regard to prospective deliveries of essential materials.

CHAPTER VII (7)

Ownership of Shipyards Now Under the Supervisor of Shipbuilding

Plants owned by the Government

- (1) Todd Pacific Shipyards, Inc., Seattle Division (except the land, which is the property of the corporation)
Total approximate cost. \$8,500,000
- (2) Everett Pacific Company, Everett, Washington
Total approximate cost. 8,900,000
 - (a) New construction yard. . \$3,300,000
 - (b) Repair yard. 5,600,000

Plants partially owned by the Government

- (1) Associated Shipbuilders
Total approximate cost. \$2,400,000
 - (a) New construction yard. . \$1,600,000
 - (b) Repair yard. 800,000
- (2) Lake Washington Shipyards
Total approximate cost. \$ _____
40% Navy
60% Defense Plant Corporation
- (3) Winslow Marine Railway & Shipbuilding Company
Total approximate cost. \$ 225,000

CHAPTER VIII (1.)

From the time the Office of the Supervisor of Shipbuilding was established, every effort was made by the Supervisor and his assistants to check expenditures and to prevent excessive costs. All purchase orders for material on facilities and ship contracts were carefully scrutinized, and all cost-plus-fixed-fee contractors were required to obtain competitive bids except in the case of proprietary material, such as replacements for equipment already in use.

- 13 -

Prior to receipt of the Bureau's pilot letter on cost consciousness dated 21 October 1943, the Supervisor had no instructions as to his responsibility in regard to salaries, number of administrative and supervisory positions, and so forth. Prior to the receipt of this letter, a number of conferences were held with the cost inspectors in the various yards, and salaries were in most cases considered to be reasonable by the supervisor and by the respective Navy cost inspectors. In one of the yards the Navy cost inspector considered a number of salaries to be excessive and forwarded a complete report to the Cost Inspection Division of the Bureau of Supplies and Accounts. After mature deliberation, the Bureau of Supplies and Accounts advised the cost inspector that in the Bureau's opinion the salaries reported by him were considered fair and reasonable (ref. ltr by Lt. Cdr. Harrington, copy in our file this office and LCL 70ddpac).

As a result of the Bureau's letter on cost consciousness dated 21 October 1943, all yards were surveyed by the Supervisor and in collaboration with specially trained industrial management officers attached to the District Civilian Personnel Director, pressure was brought to bear on all contractors to consolidate functions of various activities and to eliminate unnecessary positions.

CHAPTER VIII (2)

In accordance with instructions received from the Office of Procurement and Material and the Bureau of Ships, a Contract Terminations Section was established as part of the Contract Section of this office, and three officers completed the contract termination course given by the Army Industrial College in Washington, D. C. The Contract Terminations Section of the Supervisor's Office is adequately staffed and capable of handling terminations from the Navy standpoint if the contractors can and will present settlement proposals. Difficulty has been experienced in getting contractors to submit settlement proposals on terminated cost-plus-fixed-fee contracts for the following reasons:

(1) Contractors are reluctant to make final settlement because of possible future costs, such as retroactive wage increases, re-allocation of overhead expenses by cost inspectors, claims of subcontractors which have not been foreseen and other items which might arise after final settlement.

(2) The contractors' costs of handling materials, inventorying, overhead, and other settlement expenses, are reimbursable and a profit of 6 per cent of post-termination expenses is allowed. In many cases, it is to the contractors' advantage to hold up presentation of a settlement claim.

(3) New regulations which have been made retroactive for presentation of inventory and accounting information required in support of proposals,

- 11, -

has caused great difficulty since the records maintained by the contractor in the early stages of the war were not adequate to meet present requirements. Four or five entirely complete redistribution manuals have been issued and superseded since the establishment of this function in May, 1944.

(4) The contractors have stated that it was extremely difficult to obtain sufficiently qualified manpower to prepare proper inventory schedules of surplus material without hampering construction and repair work.

This office has cooperated fully with the Termination Coordination Committee for this area, and one officer from the Supervisor's Office is a member of the contractor training team of the Termination Coordination Committee. The great majority of contractors in this area who have had or are likely to have termination problems have attended one or more of the training courses. Termination officers from the Supervisor's Office have called personally upon more important contractors under their cognizance in regard to termination procedures.

Some difficulties have arisen because of the centralized control in Washington with insufficient delegation of authority to field officers. At present there seems to be a move toward decentralization which should speed contract settlements. Most difficulties of this nature experienced in the past have been reported to the Bureau, and steps are being taken to settle all controversial matters in a manner satisfactory to the contractor and to the Government.

Part IV

Command and Administrative Relationship

CHAPTER IX (1)

The Commandant of the Thirteenth Naval District was responsible for all military activities in this district, and the Supervisor of Shipbuilding had no military duties except those assigned by the Commandant of the district. These assignments were of a very minor nature and consisted only of conferences, discussions of policy matters, and so forth.

CHAPTER IX (2)

The Supervisor of Shipbuilding had very little contact with either Army or Maritime Commission officials.

(Lieut. Sornesen will elaborate on following items:

(a) Ninth Service Command, Northern Security District - personnel security procedures and records.

(b) Via District and A.L.M., representation on Ship Repair Coordination Committee, Area Production Urgency Committee, et. al.)

- 15 -

CHAPTER IX (3)

The Supervisor of Shipbuilding has always operated under the direct supervision of the Bureau of Ships and the Office of Procurement and Materials (Inspection Administration).

CHAPTER IX (4)

A considerable amount of Government-furnished material for Naval vessels under construction in this district was furnished by the Puget Sound Navy Yard and the Naval Supply Depot, Seattle, Washington. A considerable amount of critical material which could not be obtained in the open market by shipbuilding contractors was furnished by the Puget Sound Navy Yard, and in some cases by the Mare Island Navy Yard, in accordance with the procedure established by the Bureau. Close contact was maintained with the Puget Sound Navy Yard and Naval Supply Depot in regard to outfitting of vessels; and the Material Officer on the staff of the Supervisor was assigned to additional duty as Assistant to the Supply Officer, Puget Sound Navy Yard, in order to expedite this phase of the work.

CHAPTER IX (5)

"Relationship Controls" - Omitted (McCorrister, see district officer for explanation)

CHAPTER IX (6)

The recommendations of the Farber Board had no effect on the Office of the Supervisor of Shipbuilding, as the suggestions of this Board have not been officially adopted to date.

CHAPTER IX (7)

Prior to the receipt of the Bureau of Ships' letter on cost consciousness, dated 21 October 1943, and Joint Administrative Instructions, Numbers 12 and 13, the Supervisor had no definite instructions as to his responsibility in regard to salaries of cost-plus-fixed-fee contractors, administrative and supervisory employees, supervisory ratio, contractors' organization, and similar matters. Upon receipt of the Bureau's letter referred to in the foregoing, action was taken as reported in paragraph _____, and every effort is being made to eliminate unnecessary administrative or supervisory positions and to reduce the overhead of all cost-plus-fixed-fee contractors.

CHAPTER IX (8)

Beginning with (date) 27 August 1944, ship repair work was assigned to the new construction yards under the Supervisor of Shipbuilding, and since that date, the Supervisor has been in constant and close contact with the Assistant to the Industrial Manager in order to maintain the ship repair schedules assigned by the forces afloat.

- 16 -

CHAPTER IX (9)

The Supervisor's relation with the Supervisory Cost Inspector of the Thirteenth Naval District and the Navy Cost Inspector on duty in the various yards working on cost-plus-fixed-fee contracts, has been satisfactory. Attention is, however, invited to the fact that no uniform system of accounting has been established by the Cost Inspection Division of the Bureau of Supplies and Accounts; and, as a consequence, each cost inspector followed general commercial practice in handling his own particular problems; for example, overhead rates in the various yards are not computed in the same manner in all yards, and rates of depreciation allowed by cost inspectors are based on the cost inspector's opinion and local practice. The many suspensions made by cost inspectors are an indication of the difference of opinion which has existed and which now exists as to whether or not certain expenditures are reimbursable.

CHAPTER IX (10)

for the Seattle area

The Commissioning Detail was established on 14 June 1944 in accordance with the "Organization of and Instructions for Commissioning Details, West Coast," set up by the Central Commissioning Detail in San Francisco; and since that date, all matters pertaining to personnel for vessels under construction ^{have} been handled by that office. No difficulty has been experienced by the Supervisor in regard to obtaining crews for vessels placed in commission. With very few exceptions, adequate crews have always been available in ample time to permit the crew to become familiar with the operation of the vessel.

TAB 9-87

October 17, 1941

File: QA10-1000Airmail

Mr. Arthur Co Freeman
Resident Plant Engineer
U. S. Maritime Commission
c/o Seattle-Tacoma Shipbuilding Corp.
Tacoma, Washington

Dear Mr. Freeman:

Subject: Preliminary Expense

In response to Mr. Bateman's letter of September 8, 1941, and in coverage of previous correspondence in connection with the above noted subject, you are hereby authorized to approve such individual items of preliminary expenses as may have been incurred in connection with the development of the facilities at Tacoma, at a total cost not to exceed \$40,000.00 as stated in that letter.

Such approvals should be predicated upon an audit by our auditors of the original vendor's invoices, payrolls and other necessary evidence of obligation and payment thereof, including paid bank checks, bank statements, etc, for all expenditures claimed as direct cost and overhead, and that insurance allowance not exceeding the cash cost thereof, and in accordance with the type of insurance approved by the Division of Insurance, Maritime Commission, all to be in form allowable by the General Accounting Office. Further, the final total cost of the above work is to be subject to the negotiated price agreed upon by the Commission's auditor with regards to conformity with auditing requirements and the Resident Plant Engineer as regards necessity for the work being done and reasonableness of the cost thereof.

Very truly yours,

J. E. Schmeltzer
Director, Construction Division

By Direction:

Acting Chief, Plant Engineering Section

HermanFlame/gg
cc-Administration
Plant Engineering (2)
Reading
Mr. Honsick (2)

9-110-613

TAB 9-88

MAY 25 1942

Mr. H. L. Anderson, Assistant Secretary
Seattle-Tacoma Shipbuilding Corporation
Foot of Alexander Avenue
Tacoma, Washington

Subject: Insurance - Emergency Shipyard and
Vessel Construction Operations

Dear Mr. Anderson:

In reply to your letter of April 21st relative to approval of policies numbered XAC 100532 and XAC 100548 of the Firemen's Fund Indemnity Company, we wish to advise that the whole matter of approval of insurance policies to enable prompt and satisfactory reimbursement is having our consideration at this time in collaboration with the Assistant Director of Finance of the Maritime Commission.

We expect to have the details of this plan completed within a few days and be able to proceed with matters of this nature on a routine basis.

Very truly yours,

E. K. Ogden
Director, Division of Insurance

By:
H. E. Gates
Chief, Casualty Insurance Section

cc-Production Division
Division of Finance
Const. Audit Section
HFG/hm 5/5/42



4/11/10-2-10

✓

April 8, 1942

Q120 - 113

AIR MAIL

Mr. R. F. Palmer
Acting Resident Plant Engineer
United States Maritime Commission
c/o Seattle-Tacoma Shipbuilding Corp.
Tacoma, Washington

Dear Mr. Palmer:

In reply to Mr. Freeman's telegram of March 12, 1942 regarding insurances on plant and facilities at the Seattle-Tacoma Shipyard, you are advised that Mr. Gates of the Insurance Division of the Maritime Commission has the matter in hand and will advise you upon completion of his study of the correct action with respect to reimbursement of the Contractor for insurances other than those required by State and Federal law.

Very truly yours,

Herman F. Lane, Chief
Plant Engineering Section
Construction Division

HFLane/jh
cc-Administration
Plant Engineering (2)
Plant Engineering Coordinator
Reading
Mr. Gates - Ins. Div.
Mr. Peacock " "

CONSTRUCTION DIVISION
ROUTING SLIP

RETURN TO ADMINISTRATIVE
SECTION

Note

MAR 13 1942

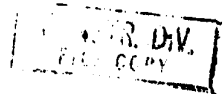
Reply

COMMISSIONER VICKERY
DIRECTOR
EXECUTIVE ASST. TO DIRECTOR
ASST. TO THE DIRECTOR
~~PLANT ENGINEERING SECTION~~ 4/8/42
ENGINEERING SECTION
HULL SECTION
PRODUCTION ENGINEERING SECTION
ASST. CHIEF PROD. ENGINEERING SECTION
ASST. CHIEF PRODUCTION COST ESTIMATING
HULL SCHEDULE & PLANNING BRANCH
ENGINEERING SCHEDULE & PLANNING BRANCH
EXPEDITING BRANCH
COST REVIEW BRANCH
COST ANALYSIS BRANCH
INSPECTION SECTION
ASST. CHIEF INSPECTION SECTION
PROCUREMENT SECTION
ASST. CHIEF PROCUREMENT SECTION
SHIPYARD PURCHASE CONTROL BRANCH
ADMINISTRATIVE SECTION

4/8/42
4/8/42 ✓
File No.

Q M10-413
Copies to Following

Mr. Gallagher - Production Engr.
Mr. McDonald - Production Engr.
Mr. McKeown - Inspection
Mr. Malseed - Expediting
Mr. Lane - Plant Engineering
Mr. Sanford - Inspection
Mr. Barnes - Cost Estimating
Mr. Walsh - Procurement
Mr. Maginnis - Purchase Control



LD31 W. CA560 42/41 GOVT NL COLLECT-TACOMA WASHN 12
HERMAN F LAKE

CHIEF PLANT ENGINEERING SECRETARY CONSTRUCTION DEPARTMENT
U S MARITIME COMMISSION WASHINGTON DC

REURLET DECEMBER 2 FACILITIES CONTRACT INSURANCE. PLEASE HAVE LEGAL
DEPT ADVISE THIS OFFICE STATUS OF ALLOWING ANY INSURANCE WHATEVER
OTHER THAN THAT REQUIRED BY STATE AND FEDERAL LAW. SEVERAL VOUCHERS
PRESENTED FOR REIMBURSEMENT. PENDING YOUR REPLY WE ARE WITHHOLDING
PAYMENT.

ARTHUR C FREEMAN RESIDENT PLANT ENGINEER.

FILE COPY

① M10-L13

UNITED STATES MARITIME COMMISSION

WASHINGTON

December 19, 1941

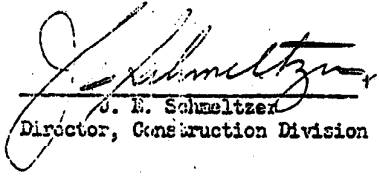
TO ALL RESIDENT PLANT ENGINEERS

Subject: Cooperation with Insurance Companies' Safety Engineers

In attempting to see that our ships will be built with the least number of accidents to personnel, the Construction Division is cooperating with the Division of Insurance.

Office Order No. 12 has placed full responsibility for safety conditions in the shipyards with the Resident Plant Engineers. The Insurance Companies, who have contracted to pay for any inadvertent losses or damage, have been carefully selected by the Commission because of their extensive backgrounds and their inspectors, who are familiar with industrial hazards.

Because of this the Resident Plant Engineer will find it to his advantage to consider any suggestions offered by the Insurance Companies' Inspectors seriously and to permit these men to cooperate wherever possible.


J. E. Schmeltzer
Director, Construction Division

QM10-413

December 2, 1941

VIA AIR MAIL

Mr. Arthur C. Freeman
Resident Plant Engineer
United States Maritime Commission
c/o Seattle-Tacoma Shipbuilding Corporation
Tacoma, Washington

Dear Mr. Freeman:

Subject: Facilities Contract DA-12 -
Insurance

Transmitted herewith is a copy of a letter dated November 15, 1941, from Mr. Dalton, Secretary, Seattle-Tacoma Shipbuilding Corporation, to the Commission regarding insurance provisions.

The letter has been referred to the Commission's Insurance Division for handling. This copy is sent to you for your information.

Very truly yours,

Herman F. Lane
Chief, Plant Engineering Section
Construction Division

Enclosure

Herman F. Lane/ecr
cc-Administration
Plant Engineering (2)
Reading
Mr. Peacock, Div. Insurance
O. A. Kechlin - 200 Bush Street, San Francisco

August 14, 1941
File No. Q20-113

Director, Division of Insurance

Director, Construction Division

Approval of Insurance Coverage,
Government-Owned Facilities Contract No. DA-MC-12
Seattle-Tacoma Shipbuilding Corporation

The attached letter from the Seattle-Tacoma Shipbuilding Corporation, dated July 29, 1941, on the subject of insurance is self-explanatory and is forwarded to you for reply and any action you may deem desirable.

Will you please return the attached letter for our files after it has served its purpose.

J. K. Schmalzer
Director, Construction Division

Attachment

FHVanRiper/eh
cc: Administrative
Reading File

Box 717

RG 178

Snifgard Facilities File

1941-45

Seattle-Thunder

Box 10-1000 to Qm 10-221

U S MARITIME COMMISSION

PRODUCTION DIVISION
b nio P

Please send following telegram to all
shipyards on attached lists:

JUNE 2 1942

YOU ARE REQUESTED TO ADVISE THIS OFFICE BY RETURN WIRE THE TOTAL NUMBER OF
MEN EMPLOYED IN THE SHIPYARD; THE NUMBER OF MEN EMPLOYED ON EACH SHIFT; THE NUMBER
OF SHIFTS PER DAY; THE NUMBER OF ACTUAL WORKING HOURS PER SHIFT; AND THE NUMBER
OF DAYS WORKED IN EACH WEEK; ALL AS OF JUNE ONE EIGHTEEN FORTY-TWO. ALSO ADVISE
IF POSSIBLE THE NUMBER OF MEN ABSENT FROM WORK ON THAT DAY AND THE NUMBER REGULARLY
OFF ON THAT DAY IF THE SHIPYARD IS WORKING SEVEN DAYS PER WEEK.


F H VAN RIPER

U S MARITIME COMMISSION

STRUCTION DIVISION
ROUTING SLIP

RETURN TO ADMINISTRATIVE
SECTION

Note

SEP 23 1947

Reply

COMMISSIONER VICKERY
DIRECTOR
EXECUTIVE ASST. TO DIRECTOR
~~PLANT~~ ENGINEERING SECTION
ENGINEERING SECTION
HULL SECTION
PRODUCTION ENGINEERING SECTION
ASST. CHIEF PROD. ENGINEERING SECTION
ASST. CHIEF PRODUCTION COST ESTIMATING
HULL SCHEDULE & PLANNING BRANCH
ENGINEERING SCHEDULE & PLANNING BRANCH
EXPEDITING BRANCH
COST REVIEW SECTION
COST ANALYSIS BRANCH
INSPECTION SECTION
ASST. CHIEF INSPECTION SECTION
PROCUREMENT SECTION
ASST. CHIEF PURCHASING SECTION
ADMINISTRATIVE SECTION

File No.

7M10-P

Copies to Following

Mr. Gallagher
Mr. McDonald
Mr. McKeown
Mr. Malseed
7 Mr. Hope
Mr. Sanford
Mr. Barnes

FILE COPY
E. S. C. DIVISION

Tacoma, Washington
 September 17, 1941

Mr. Harry M. Hope
 Chief, Plant Engineering Section
 Construction Division
 United States Maritime Commission
 Washington, D. C.

Subject: Officials in Contractor's Organization of This Date

Dear Mr. Hope:

In reference to the above subject, please note the following officials, names and titles:

Seattle-Tacoma Shipbuilding Corporation

R. J. Lamont	President
J. A. McEachern	Vice-president
Walter L. Green	Vice-president and General Manager
H. F. Lalley	Assistant General Manager
R. L. Dalton	Secretary-Treasurer
H. L. Anderson	Assistant Secretary
H. A. Flanders	Purchasing Agent
H. E. Purcell	Plant Superintendent
Charles D. Gillett	Chief Engineer
James Goodrich	Assistant Engineer
Phillip F. Spaulding	Assistant Engineer
G. J. Ackerman	Production Department
R. W. Copeland	Superintendent Steel Construction

The officials of General Construction Company, who are performing the general contracting in the yard, as sub-contractors for the Ship-builder are as follows:

J. A. McEachern	President
D. V. McEachern	Vice-president
B. H. Cook	Vice-president
H. Samuelson	Vice-president
J. E. Beardsley	Secretary

The above are corporate officers of General Construction Company.

Mr. Harry M. Hope

Page 2

September 17, 1941

The following is the operating organization of General Construction Company on Tacoma Shipyard:

C. E. Wood
D. H. Henderson
Hollis Kerr
J. L. Wood
H. B. Warnick
C. B. Mitchell
Forest Jones
J. Deneen
O. B. Kings

Construction Superintendent
Office Manager
Chief Engineer
Purchasing Agent
Erecting Superintendent
Field Engineer
General Carpenter Foreman
General Labor Foreman
Paymaster

Very truly yours

Arthur C. Freeman
Resident Plant Engineer

ACF:VC

UNITED STATES
MARITIME COMMISSION

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

U. S. GOVERNMENT PRINTING OFFICE 16-90023

CLASS OF SERVICE DESIRED		SEND VIA:
TELEGRAM		(Name of sending agency)
DAY LETTER		CHARGE COST OF THIS MESSAGE TO:
NIGHT MESSAGE		(Dept. or Division)
NIGHT LETTER		

United States Maritime Commission
Tacoma, Washington
September 17, 1941
5:15 P.M.

Mr. Harry M. Hope
Chief, Plant Engineering Division
Construction Audit Section
United States Maritime Commission
Washington, D. C.

REPLYING TO TELEGRAM LIST OF OFFICIALS IN CONTRACTOR'S ORGANIZATION:

R. J. LAMONT	PRESIDENT
J. A. MCFACHERSON	VICE-PRESIDENT
WALTER L. ORTEN	VICE-PRESIDENT AND GENERAL MANAGER
H. F. LALLEY	ASSISTANT GENERAL MANAGER
R. L. DALTON	SECRETARY-TREASURER
H. L. ANDERSON	ASSISTANT SECRETARY
H. A. FLANDERS	PURCHASING AGENT
H. E. PURCELL	PLANT SUPERINTENDENT
CHARLES D. GILBERT	CHIEF ENGINEER
JAMES GORDRICH	ASSISTANT ENGINEER
PHILIP F. SPAULDING	ASSISTANT ENGINEER
G. J. ACKERMAN	PRODUCTION DEPARTMENT
R. W. COPELAND	SUPERINTENDENT STEEL CONSTRUCTION
R. R. MCPHERREN	PAYROLL DEPT.

MARITIME COMMISSION TELEPHONE NUMBER BROADWAY 4251.

Box # 714

RB 174

Shipyard Facilities File

1941-45

Seattle - Tacoma

Am 10-N1-1 to

Am 10 - F2-4

CONSTRUCTION DIVISION
ROUTING SLIPRETURN TO ADMINISTRATIVE
SECTION

Note SEP 18 1941

Reply

COMMISSIONER VICKERY
DIRECTOR
EXECUTIVE ASST. TO DIRECTOR
/~~PLANNING~~ ENGINEERING SECTION
ENGINEERING SECTION
HULL SECTION
PRODUCTION ENGINEERING SECTION
ASST. CHIEF PROD. ENGINEERING SECTION
ASST. CHIEF PRODUCTION COST ESTIMATING
HULL SCHEDULE & PLANNING BRANCH
ENGINEERING SCHEDULE & PLANNING BRANCH
EXPEDITING BRANCH
COST REVIEW SECTION
COST ANALYSIS BRANCH
INSPECTION SECTION
ASST. CHIEF INSPECTION SECTION
PROCUREMENT SECTION
ASST. CHIEF PURCHASING SECTION
ADMINISTRATIVE SECTION

File No

QM 10-6

Copies to Following

Mr. Gallagher
Mr. McDonald
Mr. McKelvey
Mr. Malseed
Mr. Hope
Mr. Sanford
Mr. Barnes

SYMBOLS	
DL	Day Letter
NT	Overnight Telegram
LC	Letter Circular
NLT	Cable Night Letter

HARRY M. HOPE

FILE COPY
FBI - DIVISION

CHIEF, PLANT ENGINEERING DIVISION CONSTRUCTION

AUDIT SECTION UNITED STATES MARITIME COMMISSION WASHDC

REPLYING TO TELEGRAM LIST OF OFFICIALS IN CONTRACTORS'

ORGANIZATION: R. J. LAMONT- PRESIDENT J. A. MCEACHERN- VICE

PRESIDENT WALTER L. GREEN VICE PRESIDENT AND GENERAL MANAGER

H. F. LALLEY, ASSISTANT GENERAL MANAGER, R. L. DALTON, SECRETARY

TREASURER: H. L. ANDERSON ASSISTANT SECRETARY: H. A. FLANDERS

PURCHASING AGENT H E PURCELL PLANT SUPERINTENDENT CHARLES D

GILLETT CHIEF ENGINEER JAMES GOODRICH ASSISTANT ENGINEER

PHILIP F. SPAULDING, ASSISTANT ENGINEER G. S. ACKERMAN

PRODUCTION DEPARTMENT R. W. COPELAND SUPERINTENDENT STEEL

CONSTRUCTION R-R MCPHERREN PAYROLL DEPARTMENT MARITIME

COMMISSION TELEPHONE NUMBER BROADWAY 4251

ARTHUR C. FREEMAN

425.1.

9/18

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING THE SERVICE

Constr. Div. -OSF and DA

SEPTEMBER 17 1941

PLEASE SEND FOLLOWING INFORMATION TO NAMES ON ATTACHED LIST.

PLEASE SEND LIST OF OFFICIALS IN CONTRACTORS ORGANIZATION, ALSO
MARITIME COMMISSION TELEPHONE NUMBER.

HARRY M. ROPE

(1-1-41)

Qm10-P

REPRODUCED AT THE NATIONAL ARCHIVES
SEATTLE-TACOMA SHIPBUILDING CORPORATION

TACOMA DIVISION
FOOT OF ALEXANDER AVENUE
TACOMA, WASHINGTON

TAB 9-92

RECEIVED

November 4, 1941

1941 NOV 8 AM 7 00

U.S. MARITIME COMMISSION
MAIL AND FILE SECTION
WASHINGTON

The United States Maritime Commission
Washington, D. C.

Attention: Mr. W. J. Turner, Chief
Administrative Section

Subject: List of Officials of Seattle-Tacoma
Shipbuilding Corporation.

Gentlemen:

In accordance with your letter of October 25, 1941,
the following is list of officials of this corporation who are
active in the operation of the Tacoma Division:

Mr. R. J. Lamont	President
Mr. J. A. McEachern	Vice President
Mr. W. L. Green	Vice President and General Manager
Mr. R. L. Dalton	Secretary
Mr. H. L. Anderson	Assistant Secretary

Other department heads who are not elected officers
of the company are as follows:

Mr. H. F. Lalley	Assistant General Manager
Mr. C. D. Gillet	Chief Engineer
Mr. G. J. Ackerman	Production Manager
Mr. H. J. Flanders	Purchasing Agent

Very truly yours,

SEATTLE-TACOMA SHIPBUILDING CORPORATION

H. L. Anderson

H. L. Anderson
Assistant Secretary

HLA:T

Qm10-P

CONSTRUCTION DIVISION
ROUTING SLIP

RETURN TO ADMINISTRATIVE
SECTION

Note

NOV 10 1941 Reply

COMMISSIONER VICKERY
DIRECTOR
EXECUTIVE ASST. TO DIRECTOR
PLANT ENGINEERING SECTION
ENGINEERING SECTION
HULL SECTION
PRODUCTION ENGINEERING SECTION
ASST. CHIEF PROD. ENGINEERING SECTION
ASST. CHIEF PRODUCTION COST ESTIMATING
HULL SCHEDULE & PLANNING BRANCH
ENGINEERING SCHEDULE & PLANNING BRANCH
EXPEDITING BRANCH
COST REVIEW SECTION
COST ANALYSIS BRANCH
INSPECTION SECTION
ASST. CHIEF INSPECTION SECTION
PROCUREMENT SECTION
ASST. CHIEF PROCUREMENT SECTION
PURCHASE CONTROL BRANCH
ADMINISTRATIVE SECTION

1 Mr. Turner
Miss Phillips
file

File No. *Q-7118-P*

Copies to Following

Mr. Gallagher
Mr. McDonald
Mr. McKeown
Mr. Malseed
Mr. Lane
Mr. Sanford
Mr. Barnes

pm10-P

File reference A3 (A)

October 25, 1941

Seattle-Tacoma Shipbuilding Corporation
Tacoma, Washington

Subject: List of officials of Seattle-Tacoma Ship-
building Corporation

Gentlemen:

In order that correspondence directed to your offices may be properly addressed it is essential that we have on hand a list of the officials of your organization. We are, therefore, anxious to complete our files which, at present, contain no such list which can be considered reliable.

Your helpfulness in supplying this information will be very much appreciated.

Very truly yours,

J. E. Scholtzer
Director, Construction Division

By direction:

E. J. Turner
Chief, Administrative Section

PKSmail/lb

cc: Administrative
Reading

Copy

P11-1(420318)

SOSED-1A-LDL

29 May 1942

From: The Assistant Secretary of the Navy
(Shore Establishments Division)
To: Supervisor of Shipbuilding, USN,
Seattle-Tacoma Shipbuilding Corp., Seattle, Wash.
Subject: Proposed Trainee Program - Seattle-Tacoma Shipbuilding
Corp., Tacoma, Wash.
Reference: (a) STSBC (Tacoma) ltr, dated March 18, 1942, addressed
to the U. S. Maritime Commission.
Enclosure: (A) Copy of reference (a).

1. Reference (a) has been referred to the Navy Department by the Maritime Commission. It is noted that no copy of this letter was furnished to the Navy Department, although it properly should have been addressed to the Navy Department in view of the predominant interest of the Navy Department in the production of the company.

2. Reference (a) contains a proposed agreement between the company and representatives of its employees for the purpose of establishing an appropriate training program. The Navy Department has been urging by every means at its command that its contractors recognize the urgent necessity for establishing training programs to offset the scarcity of skilled mechanics and to anticipate the obvious probability of a greater scarcity which will develop through recruitments to the armed forces. In general, the Navy Department has no particular objection to the proposed agreement except that it appears to be designed to operate in the direction of placing restrictions upon an adequate training program to an extent which is not wholly consistent with the necessities of the War effort.

3. However, before formal approval by the Navy Department and the Maritime Commission, the comment of the Supervisor of Shipbuilding is desired, with particular reference to paragraph 8 of the agreement. This paragraph provides for a bonus payment of 10¢ an hour to employees selected for training to develop higher mechanical skill. Such a bonus does not conform to the practice established by any other training program of which the Navy Department is aware. There appears to be no possible justification for the payment of increased wages to any employee who is the recipient of the benefits of training programs which themselves involve material cost

JUN 3 1942

U.S. MARITIME COMMISSION
U.S. DEPT. OF MARITIME TRANSPORTATION

29 May 1942

SOSMED-1A-LDL
P11-1(420318)

to the company, and to the Government. This is particularly true in consideration of the fact that the employee, himself, is provided with the opportunity for placement in an economic status which considerably exceeds his prospects without the benefits of training. To propose a bonus in wages during the course of his training schedule is equivalent to the assumption that the employee, himself, is doing his country a favor through enhancement of his economic value, when in fact he is making no compensatory return in services. Consequently, it is considered highly improbable that the contracting agency will accept for reimbursement any cost involved by bonus payments to the individuals themselves.

4. The provision of paragraph 8 of the proposed agreement is also defective in that it provides for no control of the determination of whether or not a trainee may be competent to perform the duties of the mechanical classification for which he is trained. It may be appropriate to point out that while the training period may vary, depending upon the aptitude of the trainee and his previous mechanical experience, nevertheless, reimbursement of wages paid on the basis of the mechanical classification may not be expected to be approved unless the actual qualification of any individual concerned may be demonstrated adequately to the satisfaction of the representative of the contracting agency.

5. Paragraph 7 of the proposed agreement provides for the payment of 10¢ per hour to journeymen while performing duties as instructors of the trainees. It is believed that there is already sufficient instruction available to field representatives of the Navy Department and the Maritime Commission to warrant approval of such compensation and its acceptance as a matter of cost.

C. W. Fisher,
Director of Shore Establishments
By direction

CC: Maritime Commission

INSTRUCTION DIVISION
ROUTING SLIPRETURN TO ADMINISTRATIVE
SECTION

Note

Reply

71
COMMISSIONER VICKERY
DIRECTOR
EXECUTIVE ASST. TO DIRECTOR
ASST. TO THE DIRECTOR
PLANT ENGINEERING SECTION
ENGINEERING SECTION
HULL SECTION
PRODUCTION ENGINEERING SECTION
ASST. CHIEF PROD. ENGINEERING SECTION
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INSPECTION SECTION
ASST. CHIEF INSPECTION SECTION
PROCUREMENT SECTION
ASST. CHIEF PROCUREMENT SECTION
SHIPYARD PURCHASE CONTROL BRANCH
ADMINISTRATIVE SECTION

*Received only
two copies of
letter.*

File No. *Q210-1000*

Copies to Following

Mr. Gallagher - Production Engr.
Mr. McDonald - Production Engr.
Mr. McKeown - Inspection
Mr. Malseed - Expediting
✓ Mr. Lane - Plant Engineering
Mr. Sanford - Inspection
Mr. Barnes - Cost Estimating
Mr. Walsh - Procurement

UNITED STATES MARITIME COMMISSION
WASHINGTON

February 27, 1942

Mr. Herman F. Lane, Chief
Plant Engineering Section
Construction Division
United States Maritime Commission
Washington, D. C.

CONSTR. DIV.
FILE COPY

Dear Mr. Lane:

Subject: Expansion of the Seattle-Tacoma
Shipyards, Inc. at Tacoma, Wash-
ington.

The Shipbuilder has presented three schemes for providing additional berths at the Yard of the Seattle-Tacoma Shipbuilding Corporation. These were viewed by the Washington office. The first three schemes presented were as follows:

Scheme No. 1 - \$3,251,600.00 for three berths consisting of building 1562 feet of outfitting dock which dock was estimated to cost \$761,000.00, - buildings, \$380,000.00; yard improvements, \$300,000.00; tools and equipment \$1,515,000; and miscellaneous, \$295,000. This provided for three additional berths. The Yard at present consists of eight shipways and eight berths. This scheme was approved, but the figures were cut to \$2,541,935, of which there was allowed for docks - \$741,000. for buildings - \$262,500. for yards - \$188,850. for tools and equipment - \$1,118,500. and for miscellaneous - \$231,085.00; all of which provided for three additional berths, making total berths eleven.

Scheme No. 2 - This scheme was presented at an estimated cost of \$4,000,000.00, not including the cost of land which estimate was at first \$1,000,000.00, and subsequently \$800,000.00. This scheme provided for an outfitting pier of approximately 3000 feet which would allow for five berths, making the total number of berths at the Yard for this scheme thirteen. This scheme necessitated the use of the property of the Peterman Manufacturing Company which is a very going concern, and I have heard that the income tax this plant pays amounts to \$600,000.00 a year. I also wish to point out that this

9M10-1050

Mr. Herman F. Lane

Page 2 February 27, 1942

plant is one of the outstanding wood manufacturing plants in the country and occupies a waterfront of 1320 feet. It has on the property certain buildings, kilns, trackage, sawmills and incidentals, etc. to carry on business. It is estimated that this building can be secured at a cost not to exceed \$1,000,00, and later estimated as \$800,000. which is an addition to the amount set forth for proposed improvements. It is estimated that this property can be vacated in three months. If this scheme is adopted many of the buildings can be re-converted into suitable buildings for shipbuilding measures. In studying this scheme it must be realized that three months' time to vacate would have some bearing on the desirability of acquiring same.

Also I believe this plant may be necessary for certain wartime requirements in that line. I am not sure whether this would be advisable. The waterfront of this property is used as a storage basin for the logs which this plant consumes. It has advantages over the other schemes because it is adjacent to the property of the Seattle-Tacoma Shipbuilding Corporation, but the acquiring of same at price estimated by the builder to be approximately \$5,000,000.00 is, in the opinion of the writer, a very large premium for obtaining five additional berths, especially where time is an essence and while the Shipbuilder's representative states that it can be placed in commission more quickly than Schemes Numbers three or four, I don't agree with him. This would provide for a total of thirteen berths.

Scheme No. 3 - This provides for three berths on the west side of the yard, the same as Scheme No. 1, and in addition thereto, six berths are outlined in saw-tooth fashion south of the Peterman Manufacturing Co. with water frontage of 1402 feet. In addition thereto there is cleared built-up land which is level and easily adapted for quick erection of buildings. It is, however, separated from the plant of the Seattle-Tacoma Shipbuilding Company by the Peterman Manufacturing Company's property. The Shipbuilder estimates this scheme will cost \$4,815,540. The disadvantage of same will be that it

Mr. Herman F. Lane

Page 3

February 27, 1942

will be separated from the main shipyard which will affect the personnel operations by being thus moved away from the main plant. This price does not include the cost of the land, and will provide for seventeen berths.

These three schemes were examined by your office after the revision of Scheme No. 1 had been made. There was considered the matter of extending a dock in front of the Peterman Manufacturing property to this property. This was later abandoned as not being practical. The Shipbuilder then made up an estimate known as Scheme No. 4.

Scheme No. 4 - The estimated cost of this scheme is \$4,484,000 not including any allowance for purchase of land. This scheme consists of outfitting dock for two berths and accessories, buildings, etc. plus the three berths as provided for in Scheme No. 1. This scheme has the disadvantage of being removed from the main plant with the Peterman Manufacturing Co. between. It would give a total of thirteen berths.

My observation of the prices given and estimates are exceedingly high, and the estimate allowed for the Contractor's fee is 6% which includes 2% for engineering and this is based on the estimated figure. In the case of Number 4, the Contractor's fee would amount to \$144,000.00 which I think is most exorbitant and not justified. His fee should not be determined by percentage on an excessive estimated figure, but should be determined by the percentage of an actual figure based on cost returns. As a matter of fact all of these projects are very simple in the engineering requirements. The design of the docks has already been made, and will be the same as has been used on the first facilities contract.

All foundations for heavy machinery are generally designed by the makers. I think all of these estimates which have been submitted could be done for 2/3 of the price named. The writer has made the approach to the determination of the best method as a result of findings of necessary berths for the existing shipways, and taking into consideration the matter of conversion.

Mr. Herman F. Lane

Page 4 February 27, 1942

These conversions are not on finished ships that are sent to this yard but are the conversions of the hulls which are built at this yard and when the hull is launched, it is nothing but a mere shell and there is not as much work to be done as would be if the ships were completed, and sent here to be changed. At the present time I understand that nine ships are to be converted. This conversion is the placing of what is known as flight deck and is very light construction, the floor being steel plates 1/8" thick. Of the nine hulls to be converted five are to be sent away from the yard as soon as launched and to be converted elsewhere namely, one at Willamette, Oregon and three by the Navy. Out of the nine only four will be actually converted in this yard. I understand that there are four more assigned to the yard whether or not definitely converted to this yard, I am not in a position to say, but if four more are allotted, they take place of four being completed for the Navy, and they would follow.

You are further advised that a great deal of the work on the conversion jobs is coming pre-fabricated from the Chicago Bridge Works and decks ordered will be pre-welded in one chunk and delivered in units as large as possible. The machinery for the ships themselves will be supplied by the Navy Yard and all we are doing at this office is to be on the 1/8" flight decks already welded in part and only will be welded on jobs where they cannot be put together before.

All plans for ships are drawn by Gibbs & Cox and conversion plans are being submitted by Puget Sound and Navy Yard, so no drafting of original design forms any large part of this operation of conversion.

With all of the above before us I have prepared a table showing the schedule launching and delivery of all ships and have so made this table that the berths in use may be shown and the berths when vacant will also be shown. A copy of this table of examination is attached hereto.

As a general rule it is fair to assume that if a yard is working at normal capacity and normal efficiency that the berthing space could always be less than

Mr. Herman F. Lane

Page 5

February 27, 1942

the number of ways. It is possible for a yard of eight ways to be very easily berthed with six berths, but this yard for its eight shipways has eight berths which could be figured out to be sufficient even considering conversion work, but in addition to this, there has already been approved \$2,541,935 for supplying three extra berths, and if this is carried out the shipyard will have eleven berths, and occupancy of same is shown on attached table, and examination shows that there will be times when berths will be vacant, and could also readily be seen that by shifting berthing of hulls, there will be a large amount of vacancies that could be used.

Under the circumstances of excessive cost, for the non-necessity of having more than eleven berths, even with more conversion than now allocated, I believe that the yard should have some additional storage facilities in the form of warehouses and outside storage. This could be obtained by securing an acre or two just south of the Peterman Manufacturing Plant, and I estimate that the original provision would really carry enough to provide for it.

I can only go back and recommend that provisions be made to maintain the present allocation of \$2,541,935 as such, and this I am confident if properly carried out in the field, will provide amply for all reasonable requirements for additional facilities.

Your attention is also called to the fact that this report has been made after careful examination, and after taking same up very carefully with Ship Inspector's viewpoint as well as Shipbuilder's. The Maritime Commission Inspectors agree that the three extra berths are ample.

I would like to say in conclusion that the shipbuilder has just completed facilities contract and for less than \$4,000,000. have built almost an entire yard consisting of five new ways, berthing space for three additional ways to the ways in the old yard of the shipbuilder, and furnished ten whirley cranes, machinery, foundations, water systems, office buildings, etc., for less than \$4,000,000 and I cannot see any justification for expenditure of the amount requested for the returns expected.

Mr. Herman F. Lane


Page 6 February 27, 1942

If revised figures are approved, there will be in this yard eleven berths and careful examination of the launching, deliveries and berthing as submitted herewith, which was based upon schedule of shipbuilder shows that there is no question but that shipyard will have ample berthing facilities even with more conversions.

This is my confidential report of the situation based on field knowledge and comments from the Maritime Commission Ship Inspection representatives. The Contractor did a good job on the first facilities contract, and has been practically paid for it; therefore, I see no reason to change the above recommendation.

Also, these estimates do not include any amount for small tools, etc.

Sincerely yours,


Arthur C. Freeman,
Resident Plant Engineer

Mr. Herman F. Lane

Page 7

February 27, 1942

TABLE SHOWING COST OF BERTHS FOR EACH SCHEME AND TOTAL BERTHS

		Dock Devel.	Build- ing	Yard	Tools & Equip.	Misc.	Berths	Total
No. 1	\$3,295,600 2,541,935	881,000 741,000	350,000 262,500	250,000 188,850	1,515,000 1,118,500	299,600 231,085	3 3	11 11
No. 2	3,595,400	1,150,000	230,000	435,000	1,490,000	290,400	5	13
No. 3	5,200,000	1,904,000	485,000	550,000	1,815,000	446,000	9	17
No. 4	4,484,000	1,350,000	485,000	565,000	1,700,000	384,000	5	13

Op-23M-5-AF
QL/L4-3(33)(410408)
- SERIAL 211123

NAVY DEPARTMENT

WASHINGTON

14 July 1941

TAB 9-95

RECEIVED

JUL 24 4 13 PM

DISTRICT MATERIAL C
13 TH NAVAL DIST

From: The Secretary of the Navy

To: All Chiefs of Bureaus
Commandants of all Naval Districts, less 10, 14, 15 and 16th
Commandants of all Navy Yards and Stations
All Supervisors of Shipbuilding
All Inspectors of Naval Material
All Inspectors of Machinery
All Inspectors of Ordnance
All General Inspectors of Naval Aircraft
All Inspectors of Naval Aircraft
All Inspectors of Navigational Material

Subject: National Defense Program - Expedition and
Prosecution of Work - Subcontracting.

Reference: (a) Secnav letter of 15 January 1941 to All
Supships and BuShips, #LL/P11-1(390106-12)
(b) Secnav letter of 15 January 1941 to All
Inspmach and all ILM's and BuShips,
#LL/P11-1(390106-12)
(c) Secnav letter of 15 January 1941 to Comdts.
all Navy Yards and BuShips, #LL/P11-1
(390106-12)
(d) Secnav letter Op-23M-10-JB, ZEL(3)/P16-3
(410226) Serial 41923 of 26 February 1941
(e) Letter SCSED-1-EJ, QL/L4-3(33)(410306) of
20 March 1941
(f) Secnav letter Op-23M-5-JB, QL/L4-3(33)
(410408) Serial 86723 of 8 April 1941

Enclosures: (A) Copy of reference (a)
(Hereewith) (B) Copy of reference (b)
(C) Copy of reference (c)
(D) Copy of reference (d)
(E) Copy of reference (e)
(F) Copy of reference (f)
(G) List of Officers of Defense Contract Service

1. Enclosures (A), (B), and (C) set forth the Navy Department's desires that all field activities supplement their productive capacity by the maximum practicable use of available commercial capacity in their neighborhood wherever such action will expedite and facilitate their work. Further, it is of paramount importance to the Defense Program that prime contractors to the Navy utilize existing facilities of available subcontractors wherever practicable, rather than seeking to carry the entire burden themselves through further increase of their own productive capacity. Enclosure (D) furnishes information relative to the establishment of the Defense Contract Service of the Office of Production Management, and the participation of the Naval Service therein. Enclosure (E) sets forth the procedure to be followed in sub-contracting by the Navy Yards to commercial firms, and outlines the assistance that might be rendered by the District Offices of the Defense Contract Service of the Office of Production Management. Enclosure (F) directs District Commandants and the organization of the Naval Inspection Service to cooperate with the District Coordinators of the Defense Contract Service through liaison and the furnishing upon request of pertinent information available. Enclosure (G) is a list of the Defense Contract Service Officers throughout the country, with the names of the District Managers.

2. In order to effectuate the objectives set forth in the above paragraph, the addressees are requested to assign the duties contemplated by the above orders to one member of their staff, whose name will be immediately reported to the Department. Any change in personnel assigned also will be promptly reported. Such representatives will keep in constant touch with the District Manager of the nearest office of the Defense Contract Service, in order to establish and maintain the proper coordination of effort.

3. The Navy's Liaison representative shall keep himself constantly informed as to the work going on under his inspection or supervision as to the critical items to be manufactured and any possible critical situation which might arise in the future, thus anticipating trouble in order to determine the possibilities of relieving the situation by sub-contracting. The services available at the Office of the

Defense Contract Service for contacting suitable subcontractors, either locally or country-wide via use of the Federal Reserve teletype system to all offices, should be fully understood and utilized to the fullest extent. The liaison duties should also include promoting contact between the contractor and the possible subcontractor in order to accomplish the desired results. Where the manufacture of parts is desired, drawings or sample parts should be placed in the hands of the closest representatives of the Defense Contract Service, where security considerations permit, to assist them in locating a manufacturer for these items.

4. It is directed that a study be made immediately of the possibilities of expediting the National Defense Program and of eliminating the provision of additional facilities by the operation of a farming-out or subcontracting system. At an early date it is intended to assemble in Washington certain of the addressees to present suggestions for improvement or other methods which will better effectuate the basic principles set forth above.

/s/ FORRESTAL
Acting

NAVY DEPARTMENT
WASHINGTON

15 January 1941

From: The Secretary of the Navy.
To : The Chief of the Bureau of Ships.
All Inspectors of Machinery, U.S.N.
All Inspectors of Naval Material.

SUBJECT: National Defense Shipbuilding Program--Expedition and Prosecution of Work.

Enclosures:

- (A) SecNav letter LL/P11-1(390106-12) to Chief of Bureau of Ships and All Supervisors of Shipbuilding, of even date.
- (B) SecNav letter LL/P11-1(390106-12) to Chief of Bureau of Ships and Commandants All Navy Yards, of even date.

1. The Department desires to bring to the attention of all Inspectors of Machinery, U.S.N. and all Inspectors of Naval Material, and all contractors and sub-contractors holding contracts or orders for material, equipment and apparatus forming a part of the Naval shipbuilding program the urgent necessity of prosecuting the construction of such vessels and expediting their completion with the utmost possible vigor, having particular reference to the plea of the Office of Production Management to the workers and industrial management of the Nation on January 7, 1941. In obtaining the response to this plea for speed the Navy Department can set a high example by addressing itself promptly and decisively to the problem of raising the tempo of industrial production. In the interest of accomplishing this objective the following instructions are promulgated.

2. During the present emergency, it is directed that all Inspectors of Machinery, U.S.N. and all Inspectors of Naval Material act with full authority of the Bureau of Ships, taking final local action to the greatest extent possible. This decentralized authority shall be employed for the utmost expedition of the Shipbuilding Program. All Inspectors will be responsible for the progress of shipbuilding under their supervision. This does not, of course, relieve the contractor from any of his responsibility and contractual obligation.

3. Action on minor changes in plans, specifications and technical features under the cognizance of the Bureau of Ships shall be taken locally by Inspectors of Machinery, U.S.N. and Inspectors of Naval Material provided no change in contract price is involved, bearing in mind that material must be of such quality and workmanship as to accomplish the purpose for which it is purchased. No changes will be made which will affect installation without approval of the Navy Yards or Supervisors of Shipbuilding. Attention is called to enclosures (A) and (B). It will be noted that the Commandants of

LL/P11-1(390106-12)

From: SecNav

To : Chief of BuShips and
All INM

Navy Yards and the Supervisors of Shipbuilding have full authority to give any instructions to Inspectors concerning inspection or design of material for ships under their supervision. These instructions will be given directly by the Commandants of the Yards and the Supervisors and not through the Bureau. Only those matters upon which the Inspector desires to receive comment of the Bureau of Ships will be submitted to the Bureau.

4. Inspectors of Machinery, U.S.N. and Inspectors of Naval Material will insure that delivery dates are in accord with the expedited construction program. Where necessary to secure deliveries desired, Inspectors of one district will communicate directly with Inspectors of another district. Only in cases where problems cannot be handled locally should the Bureau of Ships be called on for assistance. Inspectors are authorized to alter the sequence of deliveries of material to conform to the delivery dates required by building yards, provided such action will not result in claim for damages or waiver of penalties.

5. Overtime and shift work should be fully utilized to expedite the building program. To this end, a 6-day, 48-hour week, as a first shift should be adopted as standard by the contractors, with second and third shifts built up as rapidly and as completely as will insure the greatest progress. The extra cost of overtime and shift work will be allowed the contractors in accordance with the terms of the contract. Where increased cost to the Government, due to the employment of overtime and shift work would be incurred for which no specific provision is made in the contract, overtime and shift work will not be ordered unless covered by a change under the contract issued by the Bureau. The Inspectors are directed to urge the contractors to increase their working force as rapidly as possible to the end that the maximum productive capacity may be attained. The contractors should be urged to work all employees such hours per day and/or per week as will best further the Defense Program, except that Sunday work should be kept to a minimum. The personnel, technical and clerical, in the Inspector's own office shall be worked such hours as are necessary, overtime pay being allowed to such employees entitled to it as provided by law.

6. It is desired that the Inspectors urge contractors to supplement the productive capacity of their plants by the maximum practicable use of available commercial capacity in their vicinity wherever such action will expedite their work. The Inspectors will require all contractors to make periodical reports of progress on individual contracts to shipbuilding yards in order that the effect of delays in deliveries may be minimized and full advantage taken of early deliveries. These reports should be forwarded via the Inspector concerned.

Reproduced at the National Archives and Records Administration
IL/P11-1(390106-12)

From: SecNav

To : Chief of BuShips and
All INM

7. All Inspectors of Machinery, U.S.N. and Inspectors of Naval Material will inform the contractors in their inspection districts and/or the contractors to whose plants they are assigned that in connection with actual contracts, if such contracts are signed or letters of intent received and accepted, no matters pertaining thereto are to be referred to the Bureau of Ships either by mail or by visit of contractors' representatives unless such matters have been referred first to the Inspectors concerned or with their consent.

8. The Department desires that contractors take all practicable steps to acquaint the working force with the need for the utmost effort by all hands and, by notices, addresses, or other appropriate means, to stimulate their enthusiastic cooperation in speeding up the Defense Program. The Inspectors are directed to cooperate with and assist the contractors to the fullest extent to this end.

9. This letter supersedes, during the period of emergency, all previous instructions with which it may conflict. Each Inspector will transmit a copy of this letter to the contractors of his district.


FRANK KNOX

Copies to:

UnderSecNav (1)
AsstSecNav (1)
Mr. Knudsen (3)
Chairman, Senate Naval Affairs Comm. (2)
Chairman, House Naval Affairs Comm. (2)
CNO (5)
All Bureaus (3)
Coord. of Shipbuilding (1)
All Comdts Naval Districts (5)
Comdts all NYds (10)
SOSSED (3)
Comp. Bd. (3)
JAG (2)
Gen. Inspector (2)
Chief of Bureau of Ships (5)
All IM (15)
All INM (15)

LL/P11-1(390106-12)

NAVY DEPARTMENT

WASHINGTON

15 January 1941

From: The Secretary of the Navy.
To : The Chief of the Bureau of Ships
Commandants, All Navy Yards

Subject: National Defense Shipbuilding Program - Expedition and prosecution of work.

Enclosure: (A) SecNav letter LL/P11-1(390106-12) to Chief of Bureau of Ships and All Supervisors of Shipbuilding, of even date.
(B) SecNav letter LL/P11-1(390106-12) to Chief of Bureau of Ships, All Inspectors of Machinery, and All Inspectors of Naval Material, of even date.

1. The Department desires to bring to the attention of the Commandants of all Navy Yards the urgent necessity of prosecuting National Defense projects under their cognizance with the utmost possible vigor, having particular reference to the plea of the Office of Production Management to the workers and industrial management of the Nation on January 7, 1941. In obtaining response to this plea for speed, the Navy Department can set a high example by addressing itself promptly and decisively to the problem of raising the tempo of industrial production. In the interest of accomplishing this objective, the following instructions are promulgated.

2. During the present emergency, it is directed that Commandants of all Navy Yards act with the full authority of the Bureau of Ships, taking final local action to the greatest extent possible. This decentralized authority shall be employed for the utmost expedition of the shipbuilding program. The Commandants are responsible for the progress of work in their Yards.

3. Action on plans, specifications and technical matters under the cognizance of the Bureau of Ships shall be taken locally by Commandants. Only those matters upon which the Commandant desires to receive the comment of the Bureau of Ships will be submitted for Bureau comment prior to action. Copies of approved plans and specifications, in accordance with current practice, will be forwarded to the Bureau for information and file.

4. Commandants of the Navy Yards must keep in close touch with Commandants and Supervisors at design yards or agencies to the end that new plans caused by deviations from approved designs be kept to an absolute minimum. Proposed departures from approved design or construction involving changes under the contract must be referred through the Commandant or Supervisor at the design yard, and with his concurrence, to the Bureau of Ships for action.

LL/P11-1(390106-12)

From:
To :

SecNav
Chief of the BuShips
Commandants, All Navy Yards

5. Commandants will insure that delivery dates of material are in accord with the expedited construction program. Where necessary to secure deliveries desired, Commandants will communicate directly with Inspectors of Naval Material or other procurement agencies. Only in cases where problems cannot be handled locally should the Bureau of Ships be called on for assistance. Commandants will make full use of existing authority regarding purchase of material in advance of Bureau approval.

6. Commandants are authorized to give any necessary instructions to Inspectors of Naval Material and Inspectors of Machinery, concerning material which is to be delivered to their shipyard. These instructions may contain any directions in regard to modifications of the required inspection including the waiving or curtailment of inspection.

7. Overtime and shift work should be fully utilized to expedite the building program. To this end, a 6-day, 48-hour week, as a first shift should be adopted as standard by the Navy Yards, with second and third shifts built up as rapidly and as completely as will insure the greatest progress. Overtime pay as provided by law shall be allowed to all employees entitled to overtime pay. The Commandants are directed to increase the working force of all Yard departments and offices as rapidly as possible to the end that the maximum productive capacity may be attained. Authority is granted to work all employees such hours per day and/or per week as will best further the Defense Program except that Sunday work should be kept to a minimum. The hours of starting and stopping work may be arranged to suit local conditions.

8. It is desired that Commandants supplement the productive capacity of their Yards by the maximum practicable use of available commercial capacity in their neighborhood wherever such action will expedite their work.

9. The Commandants are directed to place into effect a system of training so extensive as to insure sufficient men to expedite construction to the maximum.

10. The Commandants shall institute and maintain such reports on progress, number of men employed and their hours, and progress of materials purchased under subcontracts as will keep him completely informed regarding progress on ships building and probable dates of completion. In the case of subcontractors, if the Commandant is not satisfied with the progress indicated, he shall request the subcontractor, through the Inspector, to take immediate steps to remedy the situation.

11. The Commandants will take all practicable steps to acquaint the working force with the need for the utmost effort by all hands, and, by notices, addresses, or other appropriate means, to stimulate their enthusiastic cooperation in speeding up the Defense Program.

LL/P11-1(390106-12)

From: SecNav
To : Chief of the BuShips
Commandants, All Navy Yards

12. This letter supersedes, during the period of emergency, all previous instructions with which it may conflict.

Frank Knox

FRANK KNOX

Copies to:
UnderSecNav (1)
AsstSecNav (1)
Mr. Knudsen (3)
Chairman, Senate Naval Affairs Com. (2)
Chairman, House Naval Affairs Com. (2)
CHO (5)
JAG (2)
GenInspector (2)
All Bureaus (3)
All INM's (10)
All Insprmach (10)
Coordinator of Shipbldg. (1)
All Comdts, Naval Dists. (5)
Comdt., All Navy Yards (10)
SOSED (3)
Comp. Board (3)
ChBuShips (5)

NAVY DEPARTMENT

WASHINGTON

15 January 1941

From: The Secretary of the Navy
To: The Chief of the Bureau of Ships
All Supervisors of Shipbuilding

SUBJECT: National Defense Shipbuilding Program--Expedition and prosecution of work.

Enclosures: (A) SecNav ltr LL/P11-1(390106-12) to Chief of Bureau of Ships.
All Inspectors of Machinery, USN and all Inspectors of Naval Material, of even date.
(B) SecNav ltr LL/P11-1(390106-12) to Chief of Bureau of Ships and Commandants, All Navy Yards of even date.

1. The Department desires to bring to the attention of all Supervisors of Shipbuilding and all shipbuilders constructing Naval vessels of the National Defense Program the urgent necessity of prosecuting the construction of such vessels and expediting their completion with the utmost possible vigor, having particular reference to the plea of the Office of Production Management to the workers and industrial management of the Nation on January 7, 1941. In obtaining the response to this plea for speed the Navy Department can set a high example by addressing itself promptly and decisively to the problem of raising the tempo of industrial production. In the interest of accomplishing this objective, the following instructions are promulgated.

2. During the present emergency it is directed that all Supervisors of Shipbuilding act with the full authority of the Bureau of Ships, taking final local action to the greatest extent possible. This decentralized authority shall be employed for the utmost expedition of the Shipbuilding Program. Supervisors will be responsible for the progress of shipbuilding under their supervision. This does not, of course, relieve the contractor from any of his responsibility and contract obligations.

3. Action on plans, specifications and technical matters under the cognizance of the Bureau of Ships shall be taken locally by Supervisors. Only those matters upon which the Supervisor desires to receive the comment of the Bureau of Ships will be submitted for Bureau comment prior to action. Copies of approved plans and specifications, in accordance with current practice, will be forwarded to the Bureau for information and file.

4. Supervisors of Shipbuilding must keep in close touch with Commandants and Supervisors at design yards or agencies to the end that new plans caused by deviations from approved designs be kept to an absolute minimum. Proposed departures from approved design or construction involving changes under the contract must be referred through the Commandant or Supervisor at the design yard, and with his concurrence, to the Bureau of Ships for action.

so : SecNav
: BuShips
SupShips

5. Supervisors will insure that delivery dates on material are in accord with the expedited construction program. Where necessary to secure deliveries desired, Supervisors will communicate directly with Inspectors of Naval Material or other procurement agencies. Only in cases where problems cannot be handled locally should the Bureau of Ships be called on for assistance.

6. Supervisors are authorized to give any necessary instructions to Inspectors of Naval Material and Inspectors of Machinery, U.S.N. concerning material which is to be delivered to their shipyard. These instructions may contain any directions in regard to modifications of the required inspection, including the waiving or curtailment of inspection.

7. Overtime and shift work should be fully utilized to expedite the building program. To this end, a 6-day, 48-hour week as a first shift should be adopted as standard by the contractors, with second and third shifts built up as rapidly and as completely as will insure the greatest progress. The extra cost of overtime and shift work will be allowed the contractors in accordance with the terms of the contract. Where increased cost to the Government, due to the employment of overtime and shift work would be incurred for which no specific provision is made in the contract, overtime and shift work will not be ordered unless covered by a change under the contract issued by the Bureau. The Supervisors are directed to urge the contractors to increase the working force of all Yard departments and offices as rapidly as possible to the end that the maximum productive capacity may be attained. The contractors should be urged to work all employees such hours per day and/or per week as will best further the Defense Program, except that Sunday work should be kept to a minimum. The hours of starting and stopping work may be arranged to suit local conditions. The personnel, technical and clerical, in the Supervisor's own offices shall be worked such hours as are necessary, overtime pay being allowed to such employees entitled to it as provided by law.

8. It is desired that the Supervisors of Shipbuilding urge the contractor to supplement the productive capacity of their Yards by the maximum practicable use of available commercial capacity in their neighborhood wherever such action will expedite their work.

9. Supervisors shall require that the contractors put into effect a system of training so extensive as to insure sufficient men to expedite construction to the maximum.

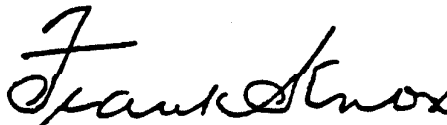
10. The contractor shall furnish the Supervisor with such reports on progress, number of men employed and their hours, and progress of materials purchased under subcontracts, as will keep him completely informed regarding progress on ships building and probable dates of completion. If the Supervisor is not satisfied with the progress indicated, he shall request the contractor to take immediate steps to remedy the situation. The Supervisor will make a complete report to the Bureau of Ships if he does not consider the action taken by the contractor to be adequate.

From: SecNav
To: BuShips - SupShips

LL/P11-1(390106-12)

11. The Department desires that the contractor take all practicable steps to acquaint the working force with the need for the utmost effort by all hands and, by notices, addresses, or other appropriate means, to stimulate their enthusiastic cooperation in speeding up the Defense Program. The Supervisors are directed to cooperate with and assist the contractors to the fullest extent to this end.

12. This letter supersedes, during the period of emergency, all previous instructions with which it may conflict. A copy will be transmitted to the contractors.


FRANK KNOX

Copy to:

UnderSecNav (1)
AsstSecNav (1)
Mr. Knudsen (3)
Chairman, Senate Naval Affairs Comm. (2)
Chairman, House Naval Affairs Comm. (2)
CNO (5)
All Bureaus (3)
All INM (10 each)
All INSMACH (10)
Coord. of Shipbuilding (1)
All Comdts. of all Naval Districts (2)
Comdts. All Nyds (10)
SOSIED (3)
Comp. Bd. (3)
JAG
General Inspector
SupShips (15)
BuShips (5)

NAVY DEPARTMENT

Washington

Op-23M-5-JB
QM/L4-3(33)(410408)
SERIAL 86723

April 8, 1941

From: Secretary of the Navy
To: Commandants of all Naval Districts
All Bureaus and Offices, Navy Department

Subject: Navy Department Participation in Objectives of Defense
Contract Service, Office of Production Management.

Reference: (a) SecNav ltr. Op-23M-10-JB; EF-1(3)/P16-3
(410226) Serial 41923 of 26 Feb. 1941.
(b) Ltr. SOSED-1-EJ, QM/L4-3(33)(410306)
of 20 March 1941.

Enclosure: (A) Copy of Reference (a)
(B) Copy of Reference (b) without enclosures.

1. Reference (a) furnished information relative to the establishment of the Defense Contract Service of the Office of Production Management, and the participation of the Naval Service therein.

2. Reference (b) prescribed the procedure to be followed in sub-contracting by the Navy Yards to commercial firms, and outlined the assistance that might be rendered by the District Offices of the Defense Contract Service of the Office of Production Management.

3. Under the direction of the Office of Production Management the services and information available in the District Offices of the Defense Contract Service are to be applied to the problem of expediting defense contracts under execution by commercial firms through the utilization of the sub-contracting procedure. It is therefore directed that District Commandants and the organization of the Naval Inspection Service cooperate with the District Coordinators of the Defense Contract Service through liaison and the furnishing upon request of pertinent information available. This will require coordinated procedure on the part of the Navy, which will be provided through the initiative of the District Commandants and Inspectors of Naval Material, as the case may be.

4. While the activities of the District Offices of the Defense Contract Service are presently applied to the problem of sub-contracting, it is anticipated that their functions will extend into a broader field of effort.

SERIAL 86723

5. It is contemplated that exchange of information and the development of an advisory service as between District Commandants, Inspectors of Naval Material, and District Coordinators of the Defense Contract Service will be fully developed in order that mutual advantages may accrue.

6. It is directed the Bureaus and offices of the Navy Department issue instructions from time to time, as necessary, to effect the purposes herein outlined.

S/ RALPH A. BARD
Acting Secretary of the Navy

CC: Mr. Mohornay, O.P.M.
General Inspector BuShips

NAVY DEPARTMENT

Washington

February 26, 1941

Op-23M-10-JB
EE1(3)/P16-3(410226)
SERIAL 41923

From: Secretary of the Navy
To: All Bureaus and Offices, Navy Department
Subject: Navy Department participation in objectives,
of Defense Contract Service, Office of Production
Management.

Reference: (a) Secretary of the Navy letter 28 January 1941,
SOSED-3-GFD-1/24 QM/L4-3(33)(401230) - Re:
Expediting National Defense.
(b) Secretary of the Navy letter of 6 June 1940,
Op-23M-1, QM/L24(400606) Re: Information
Pertaining to Facilities and Services.

1. There has been organized within the Office of Production Management a division designated "Defense Contract Service", Mr. Robert L. Mehornay, Chief, with headquarters in the new Social Security Building, Washington, D. C. Field offices of this service are established in the main and branch offices of the Federal Reserve System throughout the country. This service is charged among other various duties, with expediting the execution of defense contracts in the interest of National Defense by bringing small facilities appropriate for sub-contracting in contact with prime contractors. Each regional office of this service will be under a District Coordinator, assisted by a District Manager, with a competent engineering and industrial staff. The unit of this service designated as Sub-Contracting Procedure, in charge of Messrs. Joseph and Francis Trecker, is of particular interest to the Navy Department since this section will encourage all prime contractors throughout the country to make the utmost use of the sub-contracting system, and the industrial establishments of the Navy are essentially prime contractors of great importance in the defense effort. Messrs. Trecker have been particularly successful in utilizing a high percentage of sub-contractors in their own large machine tool business in Milwaukee, prior to the organization of the Defense Contract Service, and are making their services available to the government in the interest of expediting National Defense.

SERIAL 41923

2. Reference (a) was issued by this office directing all addressees to make contracts with outside shops for all classes of work assigned to Naval establishments, wherever such action would expedite deliveries and avoid delays in all kinds of Naval work, and was specifically written for the purpose of emphasizing to all addressees the importance of such sub-contracting or "farming out", if the Navy is to meet the continually increasing demands that are being made upon it.

3. In furtherance of this policy, complete cooperation will be rendered by the Navy to the purposes of the Defense Contract Service. In order to immediately benefit by the creation of this service, the Department has requested a survey of the several industrial establishments of the Navy with a view to making the utmost practical use of sub-contracting. Such surveys will generally be conducted jointly by Mr. Joseph Trecker and a Navy representative from Shore Establishments Division, Bureau of Ships, Bureau of Ordnance or Bureau of Aeronautics, depending on the character of the Naval plant to be surveyed, together with a representative of the Bureau of Supplies and Accounts. This survey is in the interest of expediting National Defense, and every effort must be made to obtain the utmost practical results.

4. In order to centralize the contacts between the Department and the Defense Contract Service, Lieut. Comdr. E.P.A. Simpson, U.S.N.R., of the Office of Chief of Naval Operations, (War Procurement Planning Section, Fleet Maintenance Division) is designated as the liaison officer of the Navy Department in its relations with the Defense Contract Service of the Office of Production Management. This officer also functions as the Chief of the Navy section of the Facilities Division, Army and Navy Munitions Board, Room 2826, Munitions Building, thereby providing liaison with such similar efforts as are instituted by the War Department.

5. Reference (b) which directed offices and bureaus to make certain disposition of communications from business concerns and individuals offering their facilities to the Navy in the present emergency, is hereby cancelled. Since the basic purpose of the Defense Contract Service is to procure such facilities for the use of large major contractors, it is directed that in acknowledging such communications, the concern or individual making such an offer be advised to contact the District Coordinator at his local Defense

SERIAL 41923

Contract Service office, at the nearest main or branch office of the Federal Reserve Banking System, in order to give such potential sub-contractor the best advice available as to his participation in the National Defense Program. The communications, together with copy of reply, will be then forwarded to the Office of Chief of Naval Operations (War Procurement Planning Section, Fleet Maintenance Division) to be filed with the Army and Navy Munitions Board. This arrangement will permit consolidation and classification of all such information and make it available to both the Navy and War Departments.

S/ FORRESTAL
Acting

CC: Commandants of all Naval Districts (3)
Each Navy Yard and Station (5)

SOSED-1-EJ
CM/14-3(33)(410306)

NAVY DEPARTMENT

WASHINGTON

20 March 1941

From: The Secretary of the Navy
To: All Bureaus and Offices of the Navy Dept.
Commandants of All Naval Districts
Commandants and Commanding Officers of Navy Yards
and Naval Stations.

SUBJECT: Expediting National Defense - Subcontracting
or "farming out".

Reference: (a) Secnav ltr. SOSED-O-DF:LL/P11-1(390106-11)
of 3 December 1940.
(b) Secnav ltr. Op-23M-10-JB;EE-1(3)/P16-3
(410226) Serial 41923 of 26 Feb. 1941.

Enclosure: (A) Copy Contract type "A"
(B) Copy Contract type "B"
(C) Copy of reference (b)

1. In order to carry out to the greatest extent possible the directive contained in paragraphs 2 and 3 of reference (a), all addressees are directed to make use of the Defense Contract Service covered by reference (b).

2. There are three basic problems in the "farming out" process that affect the Navy:

- (a) The location of unused commercial productive capacity together with a survey of the facilities, capacity and labor market.
- (b) The location and character of work which can be transferred from basic defense contractors to such unobligated plants or facilities.
- (c) The means by which available unused facilities may be utilized in the farming out of Naval work to supplement existing Navy Yard capacity.

3. The first phase, namely the location of the unused facilities, is to be handled through the Defense Contract Service. For organization purposes, the twelve Federal Reserve Banks, with their 24 branch offices, will be used as centers for the collection of information regarding unused industrial capacity. In each of these Federal Reserve Banks and

Subject: Expediting National Defense - Subcontracting
or "farming out".

branches there will be a District Manager for the Defense Contract Service who will be an industrialist, familiar with the industries centered in that locality. He will have a technical staff of engineers acquainted with the various industries in that area, men fully conversant with the capabilities and capacities of industrial concerns in their district, and who will be willing and ready to act in an advisory capacity to give "up to the minute" information as to where facilities desired might be obtained. Under the direction of each Manager a survey will be made of his area and an index made of all the firms, together with their equipment, capacity and labor market, which can be used for National Defense work. These index lists will be available for reference by any National Defense contractor, Navy Yard or Arsenal. It is estimated that 60,000 surveys have been made throughout the United States, with 50,000 or 75,000 plants still to be surveyed, not counting the innumerable small plants employing from 1 to 5 mechanics. The Federal Reserve Bank offices were selected as headquarters for this service because they are official governmental agencies, are permanently housed and equipped, and are centrally and prominently located. The Federal Reserve System has permanent headquarters in Washington, D.C., from which directions and controls may be exercised promptly and uniformly, and to which come with great frequency the directing heads of the various Banks and branches for their regular Bank group conferences.

4. Upon inquiry, the Defense Contract Service will be able to furnish Naval Officials with information of plants which have particular types of tools or particular facilities for a type of work, and will be ready to serve in an advisory capacity to further the "farming out" program.

5. For the Navy Yards, the question as to what should be "farmed out" will remain in the hands of the Commandants and Yard Management as they alone can tell whether "farming out" will release Navy tools which can be applied to other work, or whether "farming out" will obviate the necessity of acquiring new Navy tools or facilities. It is not the intention of this plan to "farm out" where the "farming" would render idle either tools now in Navy Yards or employees skilled in their use. All contracts and preliminary negotiations between the Yards and private concerns will be handled by the Navy Yards direct.

6. There are two separate and distinct types of work which require consideration in connection with sub-contracting or "farming out":

- (a) "Prime manufacturing" work (electrical manufacturing work at the Portsmouth Navy Yard is an example).
- (b) Repair or "jobbing work" in the machine or other shops of a Naval Industrial Shore Station.

7. For "prime manufacturing" work the articles are usually covered

- 3 -

Subject: Expediting National Defense - Subcontracting
or "farming out".

by specific plans and specifications, and are generally of considerable number whose delivery at a definite time or at a definite rate is predictable. For such work, it is believed that the usual advertised competitive method of bidding under the existing purchasing instructions is normally satisfactory, particularly if free use is made of the procedure covered by Article 1016-2(c) of the Bureau of Supplies and Accounts Manual, and the time allowed for advertising and for the receipt of bids is reduced to a minimum, and telephonic or other approved form of bids are invited from plants known to have available capacity and facilities to do the work involved. For the second type or "jobbing" material, competitive bidding on a fixed price for the delivered article is more difficult to obtain expeditiously, and in order to secure deliveries in time, bids will often have to be invited on a contract covering tool rates and labor rates, instead of a price for the finished article. This would apply particularly where the Navy Yard furnishes raw material or available dies, jigs, fixtures and tools.

8. There are enclosed herewith two types of contracts which may be used for these purposes. Type "A" covers, by means of tool rates and hourly labor rates, the use of facilities of a plant as and when required. Type "A" contracts must, under existing statutes, be forwarded to the Department for execution. Type "B" is what may be termed a "spot contract", and on the basis of a fixed price may be used for individual items of work and executed locally under the provisions of Article 3709 of the Revised Statutes.

9. The procedure proposed is as follows:

From the lists of firms made available by the Defense Contract Service, or from existing locally maintained lists of firms, the Commandant may prepare period contracts of type "A" with firms capable of doing the type of work expected to be required to augment the Yard's own facilities or to release those facilities for other purposes, obtain the signature of the contractor thereon, and forward the documents to the Department for execution. These contracts, when executed, will permit the Yard to draw on the facilities covered when such facilities are needed and available.

10. Prior to the completion of these type "A" contracts, the Commandant may execute and use type "B" to meet the requirements of the Yard. After Type "A" period contracts are completed, he may continue to use the type "B" contract when the facilities covered by the type "A" contracts are not available, due to prior obligation at the time required, or to augment the facilities covered by the period contract when the period contract does not cover the type of work required or the amount of work required in the time available.

11. The Commandants of the Navy Yards and establishments have the full authority to determine what work should be contracted for or "farmed out"

Subject: Expediting National Defense - Subcontracting
 or "farming out".

to meet the necessities of the National Defense in the time available. For "farming out" contracts they may assign regular employees for the inspection and advisory supervision of the work covered by the contracts, or may use the facilities of the Inspectors of Naval Material.

12. Everything in connection with National Defense must be prosecuted to the utmost using all available Government and commercial facilities.

13. Under Section 3709 of the Revised Statutes, the Commandant has full authority, when immediate delivery or performance is required by the public exigency, to procure articles or services by open purchase or contract, at the places and in the manner in which such articles are usually bought or sold, or such services engaged between individuals. During the present emergency, whenever the Commandant finds that the conservation of facilities and/or the essential time element of National Defense can best be furthered by "farming out" of work normally done in Navy Yards, thus releasing machine tools or men for other defense work, such "farming out" work shall be considered as emergency work and, (under Article 3709 of the Revised Statutes), contracts for such work made locally in advance of the Department's approval.

/s/ JAMES FORRESTAL
Acting

DEPARTMENT DISTRIBUTION:

IV, V(a), (b), (c), (d), IX(a).

Enclosure (G)

DEFENSE CONTRACT SERVICE OFFICERS

<u>CITY</u>	<u>MANAGER</u>	<u>ADDRESS</u>
I. BOSTON	Edward V. Hickey	Bank
II. NEW YORK	W. O. Crabtree	Bank
Buffalo	*R. B. Wiltse	Bank Branch
III. PHILADELPHIA	F. W. Hankins	Bank
IV. CLEVELAND	Herman Lind	Bank
Cincinnati	Clifford Schulte	Bank Branch
Pittsburgh	M. F. McOmber	Bank Branch
V. RICHMOND	Robert R. West	Bank
Baltimore	G. W. Creighton	Bank Branch
Charlotte	Francis E. Field	Bank Branch
VI. ATLANTA	W. C. Cram, Jr.	Bank
Birmingham	Leslie E. Geohegan	Bank Branch
Jacksonville	Chas. C. McCubbin	Bank Branch
Nashville	W. G. Whitsitt	Bank Branch
New Orleans	R. E. Judd	Bank Branch
VII. CHICAGO	Thomas S. McEwan	Bank
Detroit	Warren H. Clarke	Bank Branch
VIII. ST. LOUIS	F. J. McDevitt	Bank
Little Rock	Alfred M. Lund	Bank Branch
Louisville	Prentiss M. Terry	Bank Branch
Memphis	Arthur M. Field	Bank Branch
IX. MINNEAPOLIS	H. C. Timberlake	Bank
Helena	R. E. Towle	Bank Branch
X. KANSAS CITY	R. W. Webb	Bank
Denver	Clyde C. Hartzell	Bank Branch
Oklahoma City	Wm. H. Carson	Bank Branch
Omaha	Arthur Walker	Bank Branch
XI. DALLAS	A. J. Langford	Bank
El Paso	L. A. Wilke	Bank Branch
Houston	I. M. Griffin	Bank Branch
San Antonio	P. E. Locke	Bank Branch
XII. SAN FRANCISCO	W. M. Hale	Bank
Los Angeles	H. M. Craft	Bank Branch
Portland	S. A. MacEachron	Bank Branch
Salt Lake City	J. M. Leisner	Bank Branch
Seattle	F. C. Bold	Bank Branch

FEDERAL RESERVEAT CITY INDICATED

* Bank Defense Contract Officer

G

COPY

National Archives - Pacific NW Region

6125 Sand Point Way, NE

Seattle, WA 98115

Record Group NO. 181 Naval Dist. + Shores Estate -

Additional Information 13th Naval Dist. Seattle WA. Commandant's Office

Regular Navy Files, 1941

Box # 981; Edo. QM / 24-3

MAY 9 1941
(Box 9-41)

MAY 9 - AM

MAY 12 AM

ROUTE SLIP AND BRIEF

SLP

PLAN FILE DATA

SHIP NUMBER:		PLANS ROUTED TO:	
PLAN NUMBER	BUL. OF SHIPS NUMBER	CONTRACTOR'S NUMBER	NAVY YARD OR SC NUMBER
DATE OF PLAN		DATE RECEIVED	
RECEIVED FROM		LETTER NUMBER	
TYPE OF PLAN	TR	BF	VD
		DH	
CORRESPONDENT'S LETTER CONTROL NUMBER			

BRIEF: *Revised central new branch office of SLP - Seattle - Tacoma Shipbuilding Corp. (Tacoma Div) Tacoma, Washington is attached.*

DATE WRITTEN	DATE RECEIVED	SERIAL NUMBER	ENDORSED BY:
<i>H-29</i>	<i>MAY 7 1941</i>	<i>145681</i>	<i>Arthur</i>
			RECEIVED FROM

SECTION CODE	ACTION TAKEN		DATA REQUIRED OR INFORMATION OBTAINED
	BY	DATE	
<i>140</i>	<i>C</i>	<i>5/8</i>	
<i>773B RBM</i>		<i>5/12</i>	
<i>710 WSA</i>		<i>5/14</i>	
<i>701 A</i>		<i>5/14</i>	
<i>300 (SMA)</i>		<i>5/14/41</i>	
<i>400 MS</i>		<i>5/15</i>	
<i>500 km</i>		<i>5/16/41</i>	
<i>745 BMS</i>		<i>5/19/41</i>	
<i>250 WSA</i>		<i>5/23</i>	<i>Correction to Bureau 6c ? will be noted in info log. receipt</i>
<i>773B RBM</i>		<i>5/24</i>	<i>Will be shown in Bureau 6d.</i>

ENCLOSURE	FILE	CROSS FILES	FILE NUMBERS
HW	<i>RBM</i>		
SC	DATE		
	<i>5/24/41</i>		<i>EN 25-18/23-1</i>

ADDRESS REPLY TO
THE SECRETARY OF THE NAVY
AND REFER TO INITIALS
AND NO.

NAVY DEPARTMENT

WASHINGTON

April 29, 1941

SOSED-4-MR:FY

From: Assistant Secretary of the Navy
To: Chief of the Bureau of Ships
Navy Department

Subject: Request for the establishment of a new branch office of
Supervisor of Shipbuilding, USN, Seattle-Tacoma Shipbuilding
Corporation (Tacoma Division), Tacoma, Washington.

Reference: Buships ltr. EN25-15/A3-1 (C) of April 25, 1941.

1. The Department hereby authorizes the establishment of a new branch office of the Supervisor of Shipbuilding, USN, Seattle, Washington, at the Seattle-Tacoma Shipbuilding Corporation (Tacoma Division), Tacoma, Washington.

2. This office shall be under the jurisdiction of the Supervisor of Shipbuilding, USN, Seattle, Washington.

Payha Baird
21

140 220 150 100 50 20 10 5 2 1
100 200 300 400 500 600 700 800 900 1000
9:

Copy to:
BUAER
BUDOCKS
BUORD
BUSANDA
BUNAV
SUPSB, Seattle, Wash.

(3)

N.S.S. 30
(Rev. 11-40)

BUREAU OF SHIPS

CHIEF OF BUREAU

ASST. CHIEF OF BUREAU
GENERAL INSPECTOR
SPECIAL ASST. (OFFICER)
SPECIAL ASST. (LIAN)
CHIEF CLERK

MAINTENANCE

ASSISTANT
SHIP MAINTENANCE
Hull Assistant
Machinery Assistant
Hull
Machinery
Battleships
Carriers
Cruisers
Destroyers
Submarines
Auxiliaries
Patrol Craft
District Craft
Ship Records

EQUIPMENT

Hull Assistant
Machinery Assistant
Ground Tackle
Boats (Issue), Hull
Boats (Issue), Mach.
Allowances, Hull
Allowances, Mach.
Req'ds. Surveys Afloat
Special Materials
Navigational Mat'l.
(Naval Obs.)

SALVAGE

FILE DATE

DATE RECEIVED

SERIAL NO.

ADMINISTRATIVE

File Room
Mail Room
Stenographic Pool
Duplicating & Printing
Supply Room
PUBLICATIONS
OFFICER PERSONNEL
CIVIL PERSONNEL
FINANCE
SHIPBUILDING
ASSISTANT

DEPT. CONTRACTS

PROGRESS

Battleships
Carriers
Cruisers
Destroyers
Submarines
Auxiliaries
Patrol Craft
District Craft
Small Boats
Scheduling

SHIPBLDG. FACILITIES

PROCUREMENT

Requisitions

Contracts

Stocks & Materials

Follow-Up

MACHINE TOOLS

MAR PLANS

ASSISTANT

DESIGN

HULL ASSISTANT
MACHINERY ASSISTANT
DESIGN RESEARCH
Assistant
Standards & Tests
Laboratories
Mechanical
Electrical
Consumable Supplies
Editorial

PRELIMINARY DESIGN

Model Tests

CONTRACT DESIGN

Senior Assistant
Special Asst., Hull
Special Asst., Mach.
Hull Assistants
Machinery Assistants
Drafting, Hull
Drafting, Mach.
Drafting, Elec.
Ship Spec., Hull
Ship Spec., Mach.
Weights, Hull
Weights, Mach.
Stability and
Computing, Hull
Computing, Mach.
Boat & Standard
Plans, Hull
Propellers
Sails and Rigging
Change Records
Plan Files, Hull
Plan Files, Mach.
Plan Action

DESIGN (Cont'd)

DEVELOPMENT DESIGN
HULL ASSISTANT
Battleships, Hull
Carriers, Hull
Cruisers, Hull
Destroyers, Hull
Submarines, Hull
Patrol Craft, Hull
Auxiliaries, Hull
District Craft, Hull
Small Boats, Hull
MACHINERY ASSISTANT
Battleships, Mach.
Carriers, Mach.
Cruisers, Mach.
Destroyers, Mach.
Submarines, Mach.
Patrol Craft, Mach.
Auxiliaries, Mach.
District Craft, Mach.
Small Boats, Mach.
TECHNICAL SECTIONS
Electrical
F.C. and I.C.
Turbines and Gears
Boilers
Heat Transfer
Arrangements, Hull
Arrangements, Mach.
Equipment Design
Diesel Engines
Structural
Hull Fittings
Structure
Battery
Welding and Casting
Air Conditioning
Piping
Auxiliary Machinery
Damage Control
Gyro Compass
(Naval Obs.)

ENCL.....S.C.....N.V.

FN25-18/A37

FILE NO.

APR 25 1941

EN25-18/A3-1 (G)

APR 25 1941

From: Bureau of Ships
To : The Secretary of the Navy.

Subject: Establishment of new branch office of Supervisor of Shipbuilding, USN., Seattle-Tacoma Shipbuilding Corp. (Tacoma Division), Tacoma, Wash.

1. Contract NOG-1760, covering the construction of five gasoline tankers, has been awarded the Seattle-Tacoma Shipbuilding Corp., Seattle, Wash. (Tacoma Division). In order that proper supervision may be given the construction of these vessels and of several smaller ship construction contracts recently awarded in the Tacoma area, it is requested that a branch office under the Supervisor of Shipbuilding, USN., Seattle, Wash., be established at the Seattle-Tacoma Shipbuilding Corp. (Tacoma Division).

Copy to:
SuShips, Seattle.

J. A. FUR...
By direction

BUREAU OF ENGINEERING AND BUREAU OF CONSTRUCTION AND REPAIR

COORDINATOR

ASST. COORD.
CHIEF BUENG
CHIEF BUON
ADMINISTRATION
ASST. CH. BUON
ASST. CH. BUENG

Finance Office
General Inspector
Chief Clerk Bucon
Chief Clerk Bueng
Officer Personnel
File Room
Mail Room

MAINTENANCE

ASSISTANT
Hull Assistant
Machinery Assistant
Hull
Machinery
Battleships
Carriers
Cruisers
Destroyers
Submarines
Patrol Craft
Auxiliaries
District Craft
Ship Records

EQUIPMENT

Hull
Machinery
Assistant
Diving and Rescue
Command Tackle
Mine Sweepers
Boats
Allowances
Special Materials

SALVAGE**PUBLICATIONS****SHIPBUILDING**

ASSISTANT
DEPT. CONTRACTS

PROCESS

Battleships
Carriers
Cruisers
Destroyers
Submarines
Patrol Craft
Auxiliaries
District Craft
Scheduling
Shore Facilities

PROCUREMENT

Requisitions

Contracts

Stocks and Materials

STANDARDS

Laboratories
Mechanical
Electrical
Consumable Supplies
Editorial

MACH. TOOLS

WAR PLANS
ASSISTANT

DESIGN

HULL ASSISTANT
MACHINERY ASSISTANT
RESEARCH
Assistant

PRELIMINARY DESIGN

Model Tests

CONTRACT DESIGN

Sr. Asst., Hull
Sr. Asst., Machinery
Special Assistant
Hull Assistants

Drafting, Hull

Stability

Computing, Hull

Weight, Hull

Ship Spec., Hull

Standard Plans

Machinery Assistants

Drafting, Mech.

Drafting, Elec.

Computing, Machinery

Weight, Machinery

Propellers

Ship Spec., Machinery

RADIO AND SOUND**CHANGE RECORDS**

PLAN FILES, HULL

PLAN FILES, MACHINERY

PLAN ACTION

BLUEPRINTING

DEVELOPMENT DES.

HULL ASSISTANT
Battleships, Hull
Carriers, Hull
Cruisers, Hull
Destroyers, Hull
Submarines, Hull
Patrol Craft, Hull
Auxiliaries, Hull
District Craft, Hull

MACHINERY ASSISTANT

Battleships, Mach.
Carriers, Mach.
Cruisers, Mach.
Destroyers, Mach.
Submarines, Mach.
Patrol Craft, Mach.
Auxiliaries, Diesel
Auxiliaries, Steam
District Craft, Mach.

TECHNICAL SECTIONS

Electrical
I. C. and F. C.
Turbines and Gears
Boilers
Heat Transfer
Arrangements
Equipment Design
I. C. Engines
Structural
Hull fittings
Structure
Battery

Welding and Casting

Air Conditioning

Piping

Auxiliary Machinery

Damage Control

Date received

Serial No.

File Date

Encl. S. C. R. W.

File No.

EN 25-18/a3-1 ✓

EN 25-24/a3-1 ✓

EN 25-24/a3-1 ✓ OCT 8-1940

OCT 8 1940

151343

NAVAL MESSAGE (NAVY DEPARTMENT)

EN25-18/A3-1(G)

Telephone Extension No. 521

ADDRESSEES: (To)

PRECEDENCE

Originator: (From) BUREAU OF SHIPS H. Williams	ACTION	SUPERVISOR SHIPBUILDING #11 BROADWAY NEW YORK	PRIORITY
Released by:			ROUTINE
Date: 8 OCTOBER 1940	INFORMATION		PRIORITY
IF RESTRICTED, so indicate.			ROUTINE
If CONFIDENTIAL or SECRET, use special blank.			

(Do not write in this space)

Transmit this dispatch with DEFERRED precedence to all addressees not otherwise designated above.

DATE/TIME (GCT)

082201

Filled in by office of preparation for DEFERRED dispatches.

TEXT

SUSHIPS SEATTLE TACOMA SHIPBUILDING COMPANY SEATTLE
WASHINGTON AND SUSHIPS BETHLEHEM STEEL COMPANY SHIP-
BUILDING DIVISION SAN PEDRO CALIF HAVE BEEN ESTABLISHED

This space is for abstract of previous references. If this is a REPLY, reference numbers of incoming dispatch must be shown here.

52 21
Deliver to Communication Office. Will be returned to File Room after being receipt stamped in Navcom.

U. S. GOVERNMENT PRINTING OFFICE 20-3680

ACTION**NAVAL****COMMUNICATION****SERVICE****NAVY DEPARTMENT****ROUTINE**RECEIVED AT ROOM
LN 2200 - EXT. 67 -

21

21YA

Z SCAR BELT 081720 MOAT GR

FROM : SUPSHIPS NEWYORK

ACT : BUSHIPS

25

940 OCT 17 56 58

ROUTINE/PT

U. S. GOVERNMENT PRINTING OFFICE 6-7300

REQUEST BE ADVISED WHETHER OR NOT OFFICES OF ~~BUSHIPS~~ SUSHIPS
 SEATTLE WASHN AND SANPEDRO CALIF HAVE BEEN ESTABLISHED
 X IF SO PLEASE ADVISE ADDRESSES X URGENT.

1750C 8 OCT

BUSHIPS...

BUREAU OF ENGINEERING AND BUREAU OF CONSTRUCTION AND REPAIR

COORDINATOR

ASST. COORD.

CHIEF BUENG

CHIEF BUON

(4) ADMINISTRATION

ASST. CH. BUON

ASST. CH. BUENG

Finance Office

General Inspector

Chief Clerk Buon

Chief Clerk Bueng

Officer Personnel

File Room

Mail Room

MAINTENANCE

ASSISTANT

Hull Assistant

Machinery Assistant

Hull

Machinery

Battleships

Carriers

Cruisers

Destroyers

Submarines

Patrol Craft

Auxiliaries

District Craft

Ship Records

EQUIPMENT

Hull

Machinery

Assistant

Diving and Rescues

Ground Tackle

Mine Sweepers

Boats

Allowances

Special Materials

SALVAGE

PUBLICATIONS

Date received

Serial No.

File

Date

Encl.

S. C.

H. W.

SHIPBUILDING

ASSISTANT

DEPT. CONTRACTS

PROGRESS

Battleships

Carriers

Cruisers

Destroyers

Submarines

Patrol Craft

Auxiliaries

District Craft

Scheduling

Shore Facilities

PROCUREMENT

Requisitions

Contracts

Stocks and Materials

STANDARDS

Laboratories

Mechanical

Electrical

Consumable Supplies

Editorial

MACH. TOOLS

WAR PLANS

ASSISTANT

DESIGN

HULL ASSISTANT

MACHINERY ASSISTANT

RESEARCH

Assistant

PRELIMINARY DESIGN

Model Tests

CONTRACT DESIGN

Sr. Asst., Hull

Sr. Asst., Machinery

Special Assistant

Hull Assistants

Drafting, Hull

Stability

Computing, Hull

Weight, Hull

Ship Spec., Hull

Standard Plans

Machinery Assistants

Drafting, Mech.

Drafting, Elec.

Computing, Machinery

Weight, Machinery

Propellers

Ship Spec., Machinery

RADIO AND SOUND

CHANGE RECORDS

PLAN FILES, HULL

PLAN FILES, MACHINERY

PLAN ACTION

BLUEPRINTING

DEVELOPMENT DES.

HULL ASSISTANT

Battleships, Hull

Carriers, Hull

Cruisers, Hull

Destroyers, Hull

Submarines, Hull

Patrol Craft, Hull

Auxiliaries, Hull

District Craft, Hull

MACHINERY ASSISTANT

Battleships, Mech.

Carriers, Mech.

Cruisers, Mech.

Destroyers, Mech.

Submarines, Mech.

Patrol Craft, Mech.

Auxiliaries, Diesel

Auxiliaries, Steam

District Craft, Mech.

TECHNICAL SECTIONS

Electrical

I. C. and F. C.

Turbines and Gears

Boilers

Heat Transfer

Arrangements

Equipment Design

I. C. Engines

Structural

Hull fittings

Structure

Battery

Welding and Coating

Air Conditioning

Piping

Auxiliary Machinery

Damage Control

File No. EN 25-18/13-1 (5-70)

AUG 24 1940

114306

Serial No.

File

Date

Encl.

S. C.

H. W.

ADDRESS REPLY TO
THE SECRETARY OF THE NAVY
AND REFER TO INITIALS
AND NO.

SOSED-4-MR

NAVY DEPARTMENT
WASHINGTON

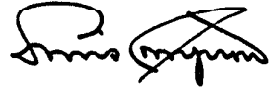
August 20, 1940.

From: Secretary of the Navy
To: The Chief of the Bureau of Ships,
Navy Department.

Subject: Request for establishment of the Office of Supervisor of
Shipbuilding, Seattle, Washington.

Reference: Buships let. EN25-18/A3-1 (DCV) of August 16, 1940.

1. The Department hereby authorizes the establishment of the
Office of Supervisor of Shipbuilding, at the Seattle-Tacoma Shipbuilding
Company, at Seattle, Washington.


Acting

C: Aero
Y&D
Ord
S&A
Nav

BUREAU OF ENGINEERING AND BUREAU OF CONSTRUCTION AND REPAIR

COORDINATOR

ASST. COORD.
CHIEF BUENG
CHIEF BUCON
ADMINISTRATION
ASST. CH. BUCON
ASST. CH. BUENG

Finance Office
General Inspector
Chief Clerk Bucon *LSB/13*
Chief Clerk Bueng *LSB/13*
Officer Personnel
File Room
Mail Room

MAINTENANCE**ASSISTANT**

Hull Assistant
Machinery Assistant
Hull
Machinery
Battleships
Carriers
Cruisers
Destroyers
Submarines
Patrol Craft
Auxiliaries
District Craft
Ship Records

EQUIPMENT

Hull
Machinery
Assistant
Diving and Rescue
Ground Tackle
Mine Sweepers
Boats
Allowances
Special Materials

SALVAGE**PUBLICATIONS****SHIPBUILDING**

ASSISTANT
DEPT. CONTRACTS

PROGRESS

Battleships
Carriers
Cruisers
Destroyers
Submarines
Patrol Craft
Auxiliaries
District Craft
Scheduling
Shore Facilities

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Requisitions

Contracts

Stocks and Materials

STANDARDS

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Electrical
Consumable Supplies
Editorial

MACH. TOOLS**WAR PLANS****ASSISTANT****DESIGN**

HULL ASSISTANT
MACHINERY ASSISTANT
RESEARCH
Assistant

PRELIMINARY DESIGN

Model Tests

CONTRACT DESIGN

Sr. Asst., Hull
Sr. Asst., Machinery
Special Assistant
Hull Assistants

Drafting, Hull

Stability

Computing, Hull

Weight, Hull

Ship Spec., Hull

Standard Plans

Machinery Assistants

Drafting, Mach.

Drafting, Elec.

Computing, Machinery

Weight, Machinery

Propellers

Ship Spec., Machinery

RADIO AND SOUND**CHANGE RECORDS****PLAN FILES, HULL****PLAN FILES, MACHINERY****PLAN ACTION****BLUEPRINTING****DEVELOPMENT DES.****HULL ASSISTANT**

Battleships, Hull

~~X~~ Carriers, Hull

Cruisers, Hull

Destroyers, Hull

Submarines, Hull

Patrol Craft, Hull

Auxiliaries, Hull

District Craft, Hull

MACHINERY ASSISTANT

Battleships, Mach.

Carriers, Mach.

Cruisers, Mach.

Destroyers, Mach.

Submarines, Mach.

Patrol Craft, Mach.

Auxiliaries, Diesel

Auxiliaries, Steam

District Craft, Mach.

TECHNICAL SECTIONS

Electrical

I. C. and F. C.

Turbines and Gears

Boilers

Heat Transfer

Arrangements

Equipment Design

I. C. Engines

Structural

Hull fittings

Structure

Battery

Welding and Casting

Air Conditioning

Piping

Auxiliary Machinery

Damage Control

Date received _____

Serial No. _____

File _____ Date _____

Encl. _____ S. C. _____ H. W.

File No. EN25-18/A3-1

EX25-18/A3-1 (DCV)

JDC/SS

AUG 16 1940

From: Bureau of Ships
To : Assistant Secretary of the Navy (Shore Establishments Division)

Subject: Establishment of the Office of Supervisor of Shipbuilding, Seattle-Tacoma Shipbuilding Company, Seattle, Washington.

1. The Department is awarding contracts for the construction of about 20 destroyers to the Seattle-Tacoma Shipbuilding Company of Tacoma, Washington, with shipbuilding plant at Seattle, Washington. It will, therefore, be necessary to establish the Office of Supervisor of Shipbuilding, Seattle-Tacoma Shipbuilding Company, Seattle, Washington, to conduct the inspection of these vessels. Authority for the establishment of the subject office is requested. Orders have been requested for a naval officer to be assigned to duty as the Supervisor of Shipbuilding.

By direction

Bureau files

R.G. 19 Bureau of Ships 1940-1945

Box # 705 EN 25-17/L16 TO EN 25-18/P

FIVE: EN 25-18/A3-1

MAY 28 8 AM
(Rev. 2-41)

MAY 9 - A.M.

MAY 12 A.M.

ROUTE SLIP AND BRIEF

NAVY DEPARTMENT
BUREAU OF SHIPS

PLAN FILE DATA

SHIP NUMBER:		PLANS ROUTED TO:	
PLAN NUMBERS	BUR. OF SHIPS NUMBER	CONTRACTOR'S NUMBER	NAVY YARD OR SC NUMBER
DATE OF PLAN		DATE RECEIVED	
RECEIVED FROM		LETTER NUMBER	
TYPE OF PLAN	TR BP VD DH	CORRESPONDENT'S LETTER CONTROL NUMBER	

BRIEF: *Revised central new branch office
of S.L. - Seattle - Tacoma - Sh. phly Corp.
(Tacoma Div) Tacoma, Washington is attached.*

DATE WRITTEN	DATE RECEIVED	SERIAL NUMBER	ENDORSED BY:
H-29	MAY 7 1941	145681	Actuar
			RECEIVED FROM

SECTION CODE	ACTION TAKEN		DATA REQUIRED OR INFORMATION OBTAINED
	BY	DATE	
140	C	5/8	
7738 RBM		5/12	
710 WSH		5/14	
701 A		5/14	
300 (XMD)		5/15/41	
400 WSH		5/15	
500 hm		5/16/41	
745 BMS		5/19/41	
250 WSH		5/23	Correction to Bureau 6c ? Will be noted in info log. Reigle
7738 RBM		5/24	Will be shown in Bureau 6d.

ENCLOSURES	FILE	CROSS FILE	FILE NUMBERS
HW	RBM		
SC	DATE		
	5/24/41		EN 25-18/23-1